

## Executive Summary

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Soybean, meal and rapeseed-mustard featured gains on better buying in cash market and recent gains in international crude during the week under review. The market participants are anticipating prices to get stronger in coming days after they remained lower for quite a long time in recent months. Continued buying in rapeseed-mustard, by millers and the stockists, is witnessed in the cash market.

### **Soybean:**

- ❖ The domestic soybean featured significant gains primarily on buying support and bullish near-term global factors during the week under review.
- ❖ Gain in the crude oil prices, weak Indian rupee against US dollar and diminishing soybean supplies in the cash market support the market sentiments.
- ❖ Forecast of 2015 Southwest monsoon rains below normal this season and surge in crude remained supportive for the soybean market.
- ❖ The domestic soybean prices jumped in last couple of weeks in cash market during the week, which is a big gain witnessed in a week, since last several weeks.
- ❖ The buyers are ready to cover their stocks at higher quotes in anticipation of further rise in the bean prices in coming days.
- ❖ In the IMD's Operational long range Forecast for the 2015 Southwest monsoon rainfall is likely to be 93% of the Long Period Average (LPA) with a model error of  $\pm 5\%$ . The deficiency probability is forecast at 33% while 35% below normal. The event is likely to hit the soybean area, production and yield this season, as the kharif oilseeds are rainfed.
- ❖ SOPA has slashed its soybean production estimate for 2014-15 to 10 million tons, down 0.4 million tons from previous estimate owing to yield losses. Moreover, SOPA urge to the central government to stop soybean trade on exchanges due to speculation in the lean season.
- ❖ On the international front, lean season in US and gains in the crude oil prices may support the soybean complex with a high volatility. Supply side remain supporting the bears and soybean yield reported fair to good over key growing areas for South American countries. Good demand from wholesalers due to ongoing wedding season and diminishing oilseeds arrivals in the domestic cash market will keep the soy complex prices range bound to slightly firm tone for short term.

**Soy meal:**

- ❖ Soy meal moved up in tandem with soybean with buying support in anticipation of further rise in the meal prices during the week under review. Stronger crude and supply disruptions from South America will continue to lend support to the meal prices at higher levels.
- ❖ Currently soy meal FOR (Kandla) is hovering around Rs 40,000 per tons during the week v/s Rs 38,000 per tons last week. Though CBOT soy complex has surged in recent days, supporting the domestic soy complex but reports of bird flu in Iowa, US, has lead to uncertainty in their soy meal usage. The event is reported to have strike nearly 10 million bird in the state. If the gains in the CBOT soy meal are limited, it will negatively affect the Indian meal prices.
- ❖ On the international front, good weather over key US soybean growing regions, rapid planting and surge in the soy/corn ratio support the planting prospects in US which may caps excessive gains in the near term. However, weak US dollar index and gains in the crude oil prices may caps downside risk in the prices.
- ❖ India exported 6.46 lac tons soy meal in FY 2014-15, registering a decline of 77.25% over previous FY 2013-14, when soybean meal exports were 28.41 lac tons.
- ❖ India's soy meal exports declined to 46,670 tonnes in March from 64,514 tonnes in Feb., the Solvent Extractors' Association of India. Of total oilmeal shipments in Mar., soy meal comprised of 45,917 tonnes, rapeseed meal (64,668 tonnes), ricebran extraction (5,200 tonnes) and castorseed meal was (71,575 tonnes).
- ❖ Considering the current scenario, we feel that India may not be able to regain the lost market this season which it lost last season due to prices competitive in US, and South American meal followed by record supply scenario.
- ❖ Preference of the soy meal of Indian origin mainly by the South-East countries due to logistic and freight advantage and demand for non-GMO meal will continue to lend support to the domestic soy meal. Iran, Japan, Europe, Thailand, Vietnam, Indonesia and South Korea could be seen as the major destinations for Indian soy meal exports.

## **RM Seed:**

- ❖ RM seed witnessed uptrend, successive fourth week, on supportive buying. Lower than expected domestic rapeseed-mustard crop and strength crude in the international market remained supportive factor for the seed market.
- ❖ The millers and the stockists continued to remain the major buyers who are covering their stocks for future. The medium and long-term outlook for rapeseed-mustard remains stronger owing to the lower seed production this season.
- ❖ Fall in planted area under seed this season and unprecedented rains in February and March which negatively hit the potential yield potential are the factors attributed for the lower seed production.
- ❖ Agriwatch has pegged India's rapeseed-mustard 2015/16 production at 5.9 million tonnes, down by 24% at 7.7 million tonne last season.
- ❖ The harvesting of the seed is complete and the arrivals across the key market centers have rose.
- ❖ Firmness in the crude oil prices and lower domestic mustard crop adds fuel to the market sentiments. Moreover, trade estimates for mustard seed output pegged at 52-54 lakh tons. Market participants are anticipating further gains in RM seed and oil prices in the coming days.
- ❖ As per Reuter's poll, palm oil stocks in Malaysia, likely rose to a five-month high at the end of April due to rising CPO output and outpaced export demand. Malaysia's palm inventories may rose 14.3 percent from March to 2.13 million tons in April.
- ❖ Shipments of Malaysian palm oil products for April fell 5.5% to 1,077,114 tonnes from 1,140,355 tonnes shipped during March, cargo surveyor Societe Generale de Surveillance reported at the end of the month April.
- ❖ Malaysian crude palm oil prices seen lower in the second half of 2015 to an average of ringgit 1,770 (\$487) per tons, if biodiesel demand stay weak. Moreover, palm oil prices will average 2,260 ringgit a ton s in the first half of 2015. On the inventories front, Malaysia palm oi stocks to drop below 1.6 million tons in Q2, says James Fry.
- ❖ *Aggressive buying in newly harvested seed by the millers and the stockists in will boost the seed prices in near to medium-term.*

## International Highlights

- ❖ US soybean planting is reported at 13% as on 03 May, 2015 which is ahead from 5% during the same period last year. Last week, farmer had planted 2 % of the total soybean acreage estimated for 2015-16. Farmers who have finished corn planting move towards the soybean due to above normal temperature and sowing is likely to pick up pace in the coming days. Ideal sowing window for soybean in US is from second week of May to first week of June.
- ❖ China, imported 5.31 million tonnes of soybeans in April, up 18.3 percent from 4.49 million tonnes in March, figures from the General Administration of Customs of China showed. Imports of vegetable oils in April were 520,000 tonnes, up 44.4 percent from the previous month.
- ❖ Soybean harvesting in Brazil is almost over and Argentina's farmers had brought 50-55 percent of the harvest as of last week. Lower soybean prices slowed the offloading by Brazilian farmers. About 53 percent of soybean crop for 2014-15 had sold by farmers, with a production seen at 93.8 million tons v/s 63 percent last year and 64 percent 5 year average, said Agrural.
- ❖ Oil World has revised the global oilseeds production upward by 3.5 Mn T from a month earlier, mainly on account of Argentine soybeans.
- ❖ The scrap of the export tax on crude palm oil in May will give Malaysian producers and exporters a clear advantage over their Indonesian counterparts. Malaysia had imposed 4.5% export tax on crude oil in April since a long exemption from September'14.
- ❖ Since January Argentine soya oil export prices have fell by 15-20%, since January this year which has led to the boost in price competitiveness mainly vis-a-vis palm oil – Oil World.
- ❖ India's vegoil imports showed a continued rise which surged by 27% to 1.06 million tonnes in March'15.
- ❖ AgRural, Brazilian analyst, has estimated Brazil's 2014-15 soybean crop to 93.8 million tonnes from 93.3 million tonnes earlier. The production is record high, despite late plantings due to stress followed by dry weather initially.
- ❖ The U.S. Department of Agriculture expects world soy stocks to hit a record-high 89.5 million tonnes by the end of the 2014-15 season. USDA has estimated the global soybean production at a record 315.1 million tonnes for this season.
- ❖ Argentine growers have completed the harvest above 5% of this year's soy, with high yields in the central farm belt compensating for flood damage in northern region - Rosario grains exchange. Argentina's crop range from 56 to 60 million tons v/s 53.4 million tons last season. Mixed soybean yield reported from Brazil and soybean harvesting have been 60 percent completed.
- ❖ Brazil's 2014/15 soybean harvesting is in full swing and the production is forecast to total a record 94.4 million tonnes, compared with a previous forecast of 95 million tonnes by Safras & Mercado.
- ❖ Allendale has estimated U.S. farmers to increase 2015/16 soybean plantings to a record 86.052 million acres with likely reduced sowing of corn, if realized, it would exceed last year's record plantings of 83.701 million acres.
- ❖ The Argentina's government expects a 2014/15 soy crop record-high at 58 million tonnes, just above the 57 million tonnes forecast by the Buenos Aires Grains Exchange. The figures are the revised estimates of

Rosario Grain Exchange raising its previous production estimate for 54.5 million tonnes. Recent rains are cited as the reason for boost in yield and eventually the production.

- ❖ As per Oil World, Indonesia palm oil production seen at 32.4 million tons for 2014-15 v/s 30.5 million tons last year and Malsyain palm oil production seen at 19.4 million tons for 2014-15, down one million tons from last year. Moreover, CPO (at Rotterdam) and RBD palmolein (FOB Malaysia) prices for 2015 seen at USD 770 /T and USD 750/T respectively.
- ❖ Oil World has estimated, Argentina's shipments of vegetable oils are expected to improve by approximately 0.6 Mn T this season.
- ❖ EU-28 crushings of rapeseed rose above expectations and touched a record 13.5 Mn T in July/Dec 2014, as reported by Oil World.
- ❖ On the production front, combined crude palm oil output from Malaysia and Indonesia is expected to rise to 51.1 million tons in 2015 v/s 49.2 million tons last year.
- ❖ Brazil's 2014/15 soybean production is estimated at 92.3 million tonnes by Abiove in the new forecast in Feb., which is up 1.6 million tonnes from its previous estimate of 91.9 million tonnes.
- ❖ Brazil based analyst Safras & Mercado forecast a 2014/15 Brazilian soybean output at 95.0 million tonnes, down from 95.9 million tonnes estimated in December.
- ❖ Brazil's Agriculture Ministry's crop supply agency Conab has estimated its 2014/15 soybean production at record 95.8 million tonnes, higher than the USDA. It also said Brazil is expected to export a record 49.6 million tonnes of the soybean, which is sharply higher from the 45.6 million tonnes estimated to be exported during the current season.
- ❖ The global production of soybeans has been raised by 1.3 Mn T to 309.1 Mn T, 24.3 Mn T, by Oil World, above last season – Oil World.
- ❖ As per Oil World, the global supplies of palm oil is expected to rise by only 2.2 Mn T in Oct/Sept 2014/15, which is down from an average annual growth of 3.9 Mn T in the past 3 seasons.
- ❖ China's soybean import is estimated to 73.5 Mn T in Oct/Sept 2014/15 by the Oil World.
- ❖ As per Abiove, Brazil's soybean crop for 2014/15 is estimated at 91 million tons and exports forecast at 48 million tons. As per Oil World, oilseed production may rise to 519.7 million tons, up 4.31 percent from 2013-1. The total oilseeds production includes 310.80 million tons of soybean, 68 million tons of rapeseed, 41.4 million tons of sunflower seed and rests others.
- ❖ The total oilmeals consumption of five N. African countries in 2014/15 is estimated at 6.2-6.3 Mn, which has more than doubled within 10 years.
- ❖ India's import requirements of vegetable oils are set to increase to a new high of 12.2 Mn T in 2014/15, as reported by Oil World.
- ❖ The palm oil production in Malaysia is estimated to reach a record 19.7 million tons to 19.9 million tons. Further, Indonesia's output is likely an all-time high of 30.5 million tons or more this year. Production is estimated by Dorab Mistry, Director at Godrej International Ltd. Both the countries account for 86% of world total supplies.
- ❖ Germany's winter rapeseed output is estimated at 5.8 million tonnes in 2014, up from 5.7 million tonnes in 2013, German farmer's association, DBV said.
- ❖ Oil World has estimated the Canadian canola crop at 14.7 Mn T in 2014 which is considerably below the record 17.96 Mn T last year.

- ❖ EU-28 rapeseed outturn has turned out higher than expected there is an upward revision to 23.5 Mn T. EU rapeseed exports are also improving.

## Oilseed Prices at Key Spot Markets:

Commodity / Centre	Prices (Rs/Qtl)				Change
Soybean	15-May-15		8-May-15		
	Low	High	Low	High	
Indore –Plant	3900	3950	4150	4225	-275
Indore–Mandi	3800	3925	3975	4075	-150
Nagpur-Plant	3800	3850	4150	4200	-350
Nagpur – Mandi	3600	3800	3900	4000	-200
Latur – Mandi	3690	3950	3900	4036	-86
Kota-Plant	3950	4000	4200	4250	-250
Kota – Mandi	3800	3850	4100	4180	-330
Bundi-Plant	3800	3825	4075	4100	-275
Bundi-Mandi	3750	3800	3900	3950	-150
Baran-Plant	3900	3950	3950	4000	-50
Baran-Mandi	3700	3800	3600	3800	Unch
Bhawani Mandi Jhalawar–Kota-Plant Delivery	3900	3950	4000	4050	-100
Jhalwar-Mandi	3800	3850	3900	3950	-100
Rapeseed/Mustard					
Jaipur-(Condition)	4355	4360	4210	4215	145
Alwar-(Condition)	4150	4200	3850	3900	300
SriGanganagar-(Non-Condition-Unpaid)	3950	4000	3850	3900	100
New Delhi–(Condition)(New Crop)	4250	4300	4025	4030	270
Kota-Non-(Condition)	3950	4000	3750	3900	100
Agra-(Condition)	4700	4725	4500	4550	175
Neewai	3950	4000	3900	3950	50
Hapur (UP)(New Crop)	4400	4450	4200	4250	200
Groundnut Seed					
Rajkot	900	900	910	910	-10
Sunflower Seed					
Gulbarga	3100	3250	3015	3308	-58
Latur	NA	NA	3500	3615	-
Sholapur(New Crop)	3550	3550	3600	3600	-50
Sesame Seed					
Mumbai (White98/2/1	8550	8550	8100	8100	450

Soybean Prices are in INR/Qtl. Mandi prices – Loose, Mustard Seed Prices are in INR/Qtl.C –Condition (42%),

\*Groundnut seed in Rs/20 kg, Sunflower Seed in Rs/Qtl

## Oilseed Arrivals in Key Centers:

Commodity	Centre	Arrivals in Bags/Qtl		Change
		Week End 9th to 15th May 2015	Week End 02nd to 8th May 2015	
Soybean	Madhya Pradesh	435000	275000	160000
	Maharashtra	90000	86000	4000
	Rajasthan	61500	63000	-1500
	Bundi (Raj)	550	620	-70
	Baran (Raj)	1750	6300	-4550
	Jhalawar (Raj)	6000	6100	-100
Rapeseed/Mustard	Rajasthan	1015000	1075000	-60000

## Progress of Sown Area – Rabi Oilseeds, India

In the official *rabi oilseeds* planting report (week ending 12 Mar. 2015), the area coverage under *Rabi* oilseeds is reported at 84.01 lakh hectares, down 8% from 91.45 lakh ha during the same period last year. Of the major oilseeds, rapeseed/mustard seed sowing is reported down by 8.6% at 65.17 lha compared to 71.32 lha during the same period last year. Groundnut at 8.43 lha vs 8.71 lha, safflower at 0.95 lha vs 1.78 lha, sunflower at 3.19 lha vs 4.40 lha, sesamum 2.26 lha vs 1.12 lha, linseed 3.21 lha vs 3.59 lha during the same period last year.

Crop	As on 12 Mar. 2015	As on 12 Mar. 2014	% Change
Rapeseed/Mustard	65.17	71.32	-8.6
Groundnut	8.43	8.71	-3.2
Safflower	0.95	1.78	-46.6
Sunflower	3.19	4.40	-27.5
Sesamum	2.26	1.12	101.8
Linseed	3.21	3.59	-10.6
Others	0.80	0.53	50.9
<b>Total Oilseeds</b>	<b>84.01</b>	<b>91.45</b>	<b>-8.1</b>

(Area in lakh hectares) Source: GOI

## Soybean

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The domestic soybean featured significant gains primarily on buying support and bullish near-term global factors during the week under review.

Gain in the crude oil prices, weak Indian rupee against US dollar and diminishing soybean supplies in the cash market support the market sentiments.

Forecast of 2015 Southwest monsoon rains below normal this season and surge in crude remained supportive for the soybean market.

The domestic soybean prices jumped in last couple of weeks in cash market during the week, which is a big gain witnessed in a week, since last several weeks.

The buyers are ready to cover their stocks at higher quotes in anticipation of further rise in the bean prices in coming days.

In the IMD's Operational long range Forecast for the 2015 Southwest monsoon rainfall is likely to be 93% of the Long Period Average (LPA) with a model error of  $\pm 5\%$ . The deficiency probability is forecast at 33% while 35% below normal. The event is likely to hit the soybean area, production and yield this season, as the kharif oilseeds are rainfed.

SOPA has slashed its soybean production estimate for 2014-15 to 10 million tons, down 0.4 million tons from previous estimate owing to yield losses. Moreover, SOPA urge to the central government to stop soybean trade on exchanges due to speculation in the lean season.

On the international front, lean season in US and gains in the crude oil prices may support the soybean complex with a high volatility. Supply side remain supporting the bears and soybean yield reported fair to good over key growing areas for South American countries. Good demand from wholesalers due to ongoing wedding season and diminishing oilseeds arrivals in the domestic cash market will keep the soy complex prices range bound to slightly firm tone for short term.

Argentina is estimated to harvest a record 59 million tonnes of soybean projected in the latest report by Argentina's agriculture ministry during the week. However, USDA has pegged the production at 57 million tonnes and 58.5 million tonnes by the Buenos Aires Grains Exchange.

Brazil's soybean harvesting is complete and a most of the stocks are lying on farm.

*Strength in crude, better Chinese buying and good buying support in the domestic market will push up the bean prices. But improved edible oil imports and disparity in soybean crushings and lower soy meal export sales of Indian origin will limit the excessive gains.*



## Soy meal

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Soy meal moved up in tandem with soybean with buying support in anticipation of further rise in the meal prices during the week under review. Stronger crude and supply disruptions from South America will continue to lend support to the meal prices at higher levels.

Currently soy meal FOR (Kandla) is hovering around Rs 40,000 per tons during the week v/s Rs 38,000 per tons last week. Though CBOT soy complex has surged in recent days, supporting the domestic soy complex but reports of bird flu in Iowa, US, has lead to uncertainty in their soy meal usage. The event is reported to have strike nearly 10 million bird in the state. If the gains in the CBOT soy meal are limited, it will negatively affect the Indian meal prices.

On the international front, good weather over key US soybean growing regions, rapid planting and surge in the soy/corn ratio support the planting prospects in US which may caps excessive gains in the near term. However, weak US dollar index and gains in the crude oil prices may caps downside risk in the prices.

*The overseas soy meal exports eased m-o-m as well as y-o-y this season primarily due to the competitive international meal prices, including the meal of US, Brazil and Argentine origin compared the meal of Indian origin. India's soy meal exports this season are sharply lower as compared to the previous years.*

*India exported 6.46 lac tons soy meal in FY 2014-15, registering a decline of 77.25% over previous FY 2013-14, when soybean meal exports were 28.41 lac tons.*

*Exports of soy meal during March, 2015 was 46,670 tons as compared to 2,32,176 tons in March, 2014 showing a decrease by 80% over the same period last year.*

*During the first half of the current Oil year i.e. October'14 to March'15, total exports are 5,49,627 tons as against 19,64,581 tons last year, showing a decrease by 72%.*

*France, Oman and Vietnam remained the top 3 buyers of Indian soy meal in March 2015.*

*India's soy meal exports declined to 46,670 tonnes in March from 64,514 tonnes in Feb., the Solvent Extractors' Association of India. Of total oilmeal shipments in Mar., soy meal comprised of 45,917 tonnes, rapeseed meal (64,668 tonnes), ricebran extraction (5,200 tonnes) and castorseed meal was (71,575 tonnes).*

*Considering the current scenario, we feel that India may not be able to regain the lost market this season which it lost last season due to prices competitive in US, and South American meal followed by record supply scenario.*

The soy meal prices are likely to feature range-bound movement in near-term.

*Preference of the soy meal of Indian origin mainly by the South-East countries due to logistic and freight advantage and demand for non-GMO meal will continue to lend support to the domestic soy meal. Iran, Japan, Europe, Thailand, Vietnam, Indonesia and South Korea could be seen as the major destinations for Indian soy meal exports.*

India's Y-o-Y soy meal prices are lower. Soy meal export price, FOR Kandla (May – Jun delivery) was quoted between Rs 39800 – 40,000/MT compared to Rs 43,500 – 45,500/MT during the same period last year.

**Recommendation:** India's soy meal prices are under global supply pressure. Indian meal exporters are advised to aggressively explore the lost markets last season especially traditional South and Far-East Asian destinations and Iran. India is into the period of higher exports considering seasonality. The domestic meal prices are likely to feature range bound movement in near-term. FOR, Kandla (Apr. - May delivery) is expected to feature range-bound movement and the quotes are expected to slightly improve and will witness Rs. 40,500 – 41,000/MT levels in the upcoming week. They remained between Rs. 39,000 – 41,000/MT during the week.

## Technical Analysis:

### NCDEX Soybean Futures



### Soybean Spot, Indore



\*Note: Daily Chart

### Support & Resistance NCDEX Soybean – Jun. contract

S1	S2	PCP	R1	R2
3929	3900	4143	5000	5160

- Soybean extended previous gain.
- Prices closed above 9-day and 18-day EMA.
- RSI and stochastic are rising in neutral region.
- MACD is rising in positive territory.
- The prices are expected to feature gains in the coming week.
- Trade Recommendation (NCDEX Soybean – Jun.) Week: BUY Above 4145. Levels: Target – 4245 T2-4270, SL -4085

**Trade Recommendation Soybean - Spot:** Soybean prices will edge-up on good buying and rising crude, in recent days. The prices are likely to be in the band of 4145-4300 levels (Indore, Plant basis) during the week.

## Rapeseed - Mustard Seed

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RM seed witnessed uptrend, successive fourth week, on supportive buying. Lower than expected domestic rapeseed-mustard crop and strength crude in the international market remained supportive factor for the seed market.

The millers and the stockists continued to remain the major buyers who are covering their stocks for future. The medium and long-term outlook for rapeseed-mustard remains stronger owing to the lower seed production this season.

Fall in planted area under seed this season and unprecedented rains in February and March which negatively hit the potential yield potential are the factors attributed for the lower seed production.

Agriwatch has pegged India's rapeseed-mustard 2015/16 production at 5.9 million tonnes, down by 24% at 7.7 million tonne last season.

The harvesting of the seed is complete and the arrivals across the key market centers have rose.

As per sources, around 2.57 million hectares of mustard seed crop had damaged due to unseasonal rains and hailstorm over key RM seed producing regions (Rajasthan-1.5 million ha., Haryana – 0.12 million ha., and UP – 0.95 million ha.).

Firmness in the crude oil prices and lower domestic mustard crop adds fuel to the market sentiments. Moreover, trade estimates for mustard seed output pegged at 52-54 lakh tons. Market participants are anticipating further gains in RM seed and oil prices in the coming days.

As per Chief Economic Minister, new Indonesian regulation requiring exporters to pay a levy of \$50 per tons of crude palm oil and \$30 for processed palm oil product shipments will take effect by the third week of May at the latest, if biodiesel demand pick up.

As per Reuter's poll, palm oil stocks in Malaysia, likely rose to a five-month high at the end of April due to rising CPO output and outpaced export demand. Malaysia's palm inventories may rose 14.3 percent from March to 2.13 million tons in April.

Shipments of Malaysian palm oil products for April fell 5.5% to 1,077,114 tonnes from 1,140,355 tonnes shipped during March, cargo surveyor Societe Generale de Surveillance reported at the end of the month April.

On the production front, combined crude palm oil output from Malaysia and Indonesia is expected to rise to 51.1 million tons in 2015 v/s 49.2 million tons last year. This is again a bearish factor for India's rapeseed-mustard.

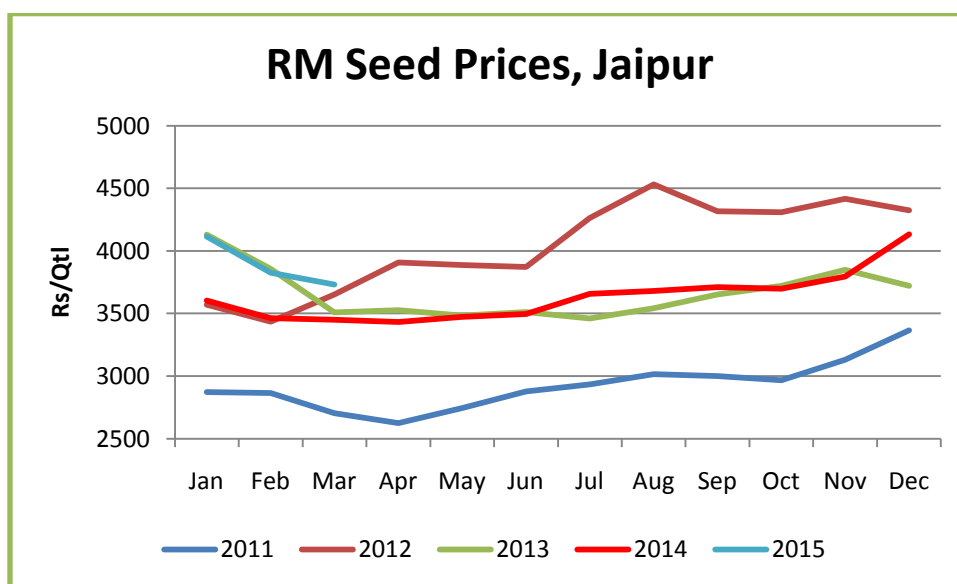
Malaysian crude palm oil prices seen lower in the second half of 2015 to an average of ringgit 1,770 (\$487) per tons, if biodiesel demand stay weak. Moreover, palm oil prices will average 2,260 ringgit a ton s in the first half of 2015. On the inventories front, Malaysia palm oi stocks to drop below 1.6 million tons in Q2, says James Fry.

As per MPOB's data, Malaysian palm oil end-stocks rose on m-o-m due to higher production of palm oil in March. Inventories in Malaysia rose 7.02 percent in March to 1.865 million tons against 1.743 tons month ago

and production of palm oil during March was 1.494 million tons v/s 1.121 million tons last month. The report is bearish for edible oil complex.

India's vegetable oil imports in March rose to 1062,031 tons (which consist of 1053,034 tons of edible oils and 8,997 tons of non-edible oils) from 866,167 tons in the previous month. Indian buyers imported 616,402 tons of crude palm oil, 51,576 tons of RBD palmolein, 191,150 tons of crude soybean oil and 193,906 tons of other edible oils during March 2015 - SEA.

*Aggressive buying in newly harvested seed by the millers and the stockists in will boost the seed prices in near to medium-term.*



## Technical Analysis:

### NCDEX RM Seed Futures



\*Note: Daily Chart

### RM Seed Spot, Jaipur



### Support & Resistance NCDEX RM Seed – June contract

S1	S2	PCP	R1	R2
3730	3666	4093	5860	6000

- RM seed prices edged-up during the week.
- Prices closed above 9-day and 18-day EMA.
- RSI and stochastic are rising in neutral zone.
- MACD is moving upwards in positive territory.
- The prices are expected to feature gains in the coming week.
- Trade Recommendation (NCDEX Rapseed – June.): Week: BUY Above 4090. Levels: Target – 4190; T2- 4215, SL -4030

**Trade Recommendation RM Seed Spot (Jaipur basis):** In spot, the RM seed surged on better demand from millers and the stockists for new crop crushings. The better buying interest in cash market is expected to keep the seed prices stronger and they are expected to be between 4090-4230 levels during the week.

## Annexure

### Progress of Sown Area – Kharif Oilseeds, India

In the official *kharif oilseeds* planting report (week ending 09 Oct 2014), the area coverage under *Kharif* oilseeds is reported at 178.47 lakh hectares, down 8.4% from 194.90 lakh ha previous year. Of the major oilseeds, soybean sowing is reported down by 10% at 110.22 lha compared to 122.20 lha during the same period last year. Groundnut at 37.25 lha vs 43.19, sunflower at 2.05 lha vs 2.43 lha, sesamum 16.31 vs 14.91, niger 2.28 lha vs 2.33 lha and castor at 10.35 lha vs 9.84 lha during the same period last year.

<b>Crop</b>	<b>As on 09 Oct 2014</b>	<b>As on 09 Oct 2013</b>	<b>% Change</b>
Groundnut	37.25	43.19	-13.8
Soybean	110.22	122.20	-9.8
Sunflower	2.05	2.43	-15.6
Sesamum	16.32	14.91	9.5
Niger	2.28	2.33	-2.1
Castor	10.35	9.84	5.2
<b>Total Oilseeds</b>	<b>178.47</b>	<b>194.90</b>	<b>-8.4</b>

(Area in lakh hectares) Source: GOI

### Rabi MSP 2014-15

- ❖ The Cabinet Committee on Economic Affairs has approved the Minimum Support Prices (MSPs) for Rabi Oilseeds Crops of 2014-15 season to be marketed in 2015-16 as follows: The MSP of Rapeseed/Mustard is raised by Rs. 50/Qtl to Rs. 3100/Qtl from Rs. 3050/Qtl earlier. For Safflower too it is increased by Rs. 50/Qtl to Rs. 3050/Qtl from Rs. 3000/Qtl in 2013-14.

### Kharif MSP

- ❖ Government has increased minimum support price (MSP) of sunflower seed by Rs 50 to 3750 a quintal, further a hike of Rs 100 on sesamum and nigerseed at Rs 46,00 and 36,00 a quintal respectively. However, the MSP of soybean and groundnut seeds remained unchanged at Rs 2500-60 and Rs 4000 a quintal respectively this season.

#### Disclaimer

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