

Executive Summary

Soybean, meal and rapeseed-mustard extended gains tracking surge in international oils and fats market during the week under review.

Gains in benchmark CBOT on bullish quarterly soybean stock figures followed by soybean orders by China last week and strength in Malaysian palm oil on better export sales remained positive factors for oilseeds in the cash market. Buyers in new crop soybean including the solvent extractors and stockists in the cash market continued to lend support to the bean and seed at higher prices.

The soybean harvesting has picked up the pace in US and in India and the supplies are rising.

Fresh buying in soybean will push up the soybean prices while continued buying in rapeseed-mustard will remain positive for the seed..

Outlook – Cash Market

Outlook - Soybean (Spot, Indore): Soybean prices are expected to feature gains on fresh buying by the solvent extractors and the stockists in short-term. However, higher global supply scenario, weakness in crude and weak soy meal export from India will limit the upside. The prices are likely to be between 3400 – 3700 levels (Indore, Plant basis).

Outlook – Soy meal: India's soy meal prices featured gains pushed by the bullish news on soybean. Bearish underlying factors including weak exports limited the gains. Competitive meal price in South America has led to demand shift to the region and Indian meal exports are badly hit. Indian meal exporters are advised to aggressively explore the lost markets of last season especially traditional South and Far-East Asian destinations and Iran. The domestic meal prices are likely to feature range bound movement in near-term. FOR, Kandla (Oct. – Nov. delivery) is expected to witness Rs. 31,100 – 32,100/MT levels during the week.

Outlook - Rapeseed-Mustard (Spot, Jaipur basis): In spot, the RM seed is expected to feature firm tone on better buying and gains in Malaysian palm oil in recent days on better export sales in CPO. The seed prices are likely to be between 4890 – 5100 levels during the week.

International Highlights

- ❖ In the quarterly USDA report the US soybean stocks as on 01 September 2015 were reported about 108% Y-o-Y at 5,209,730 metric tonnes compared to 2,503,580 during the same period last year. The On farms stocks are reported at 13,52610 mt (58,0370 mt) and Off farms is reported at 38,57,120 mt (19,23,210 mt). The stocks are slightly lower than market expectations but higher than the same period last year.
- ❖ In the US soybean crop progress report, as on 27 September, about 74% of the crop is dropping leaves which are above 5 year average of 74% and 66% during the corresponding period last year. Soybean harvested is reported by 21% which is up from 5 year average of 16% and up from 9% during the corresponding period last year. About 62% of the crop is in good to excellent condition as against 72% during the corresponding period last year.
- ❖ The National Oilseed Processors Association has, in its monthly report stated that its members processed 135.304 million bushels of soybeans in August which is up 22% from the same period last year. The volume was the highest for August month since 2007, when NOPA members crushed 137.564 million bushels.
- ❖ Soybean planting in Brazil has commenced and it is 1.7% complete, reported by AgRural. The planting is up 1.6% from the corresponding period last year and 5 year average. The planting has begun in the southern state of Parana which is forecast to receive better rains in coming days.
- ❖ Celeres has estimated Brazil's 2015-16 soybean crop at 97.1 million tonnes, up 1.2% than the previous season (95.9 million tonnes).
- ❖ The planting is expected to increase by 2.3% to 32.2 million hectares or 80 million acres from last season.
- ❖ FCStone has estimated Brazil's 2015-16 soybean production at 100.9 million tonnes, up from 96.2 million this season, 2014-15. Brazil's soybean planting is expected to commence in coming weeks.
- ❖ US is likely to harvest near record soybean in coming days, and if realized, the production will add to the global supply.
- ❖ Pro Farmer has pegged US soybean outturn at 3.887 billion bushels per acre with an average productivity of 46.5 billion bushels per acre, in the recent crop tour.
- ❖ The estimate is lower than the USDA's recent report where it is projected at 3.916 billion bushels considering 46.6 bushels per acre.

- ❖ Informa Economics has forecasted U.S. soybean production at 3.789 billion bushels, lower than USDA's July forecast of 3.885 billion. Informa pegged the U.S. soy yield at 45.4 bushels per acre against USDA's 46.0 bushels.
- ❖ European Commission has slashed monthly forecast for 2015 EU rapeseed crop to 20.7 Mln T from 21.7 Mln T in June. This is mainly due to dry weather; which will increase the dependency on soy and palm oil.

Oilseed Prices at Key Spot Markets:

Commodity / Centre	Prices (Rs/Qtl)				Change
Soybean	1-Oct-15		25-Sep-15		
	Low	High	Low	High	
Indore –Plant	3475	3550	3325	3450	100
Indore–Mandi	3300	3500	2800	3350	150
Nagpur-Plant	3450	3500	3350	3400	100
Nagpur – Mandi	2800	3425	3000	3250	175
Latur – Mandi	3470	3510	3280	3360	150
Kota-Plant	3600	3650	3350	3450	200
Kota – Mandi	3300	3600	3250	3400	200
Bundi-Plant	3500	3550	3400	3450	100
Bundi-Mandi	3400	3500	3200	3350	150
Baran-Plant	3500	3550	3100	3200	350
Baran-Mandi	3150	3480	2900	3100	380
Bhawani Mandi Jhalawar–Kota-Plant Delivery	3550	3625	3400	3425	200
Jhalwar-Mandi	3400	3600	2900	3300	300
Rapeseed/Mustard					
Jaipur-(Condition)	5035	5040	4850	4855	185
Alwar-(Condition)	4600	4700	4500	4550	150
SriGanganagar-(Non-Condition-Unpaid)	4600	4700	4350	4450	250
New Delhi–(Condition)(New Crop)	4700	4750	4600	4620	130
Kota-Non-(Condition)	4450	4500	4200	4250	250
Agra-(Condition)	5450	5500	5250	5300	200
Neewai	4700	4750	4500	4550	200
Hapur (UP)(New Crop)	4900	4950	4650	4700	250
Groundnut Seed					
Rajkot	950	950	950	950	Unch
Sunflower Seed					
Gulbarga	3505	3708	2550	3100	608
Latur	NA	NA	NA	NA	-
Sholapur(New Crop)	3600	3650	3550	3600	50
Sesame Seed					
Mumbai (White98/2/1	6850	6850	7000	7000	-150

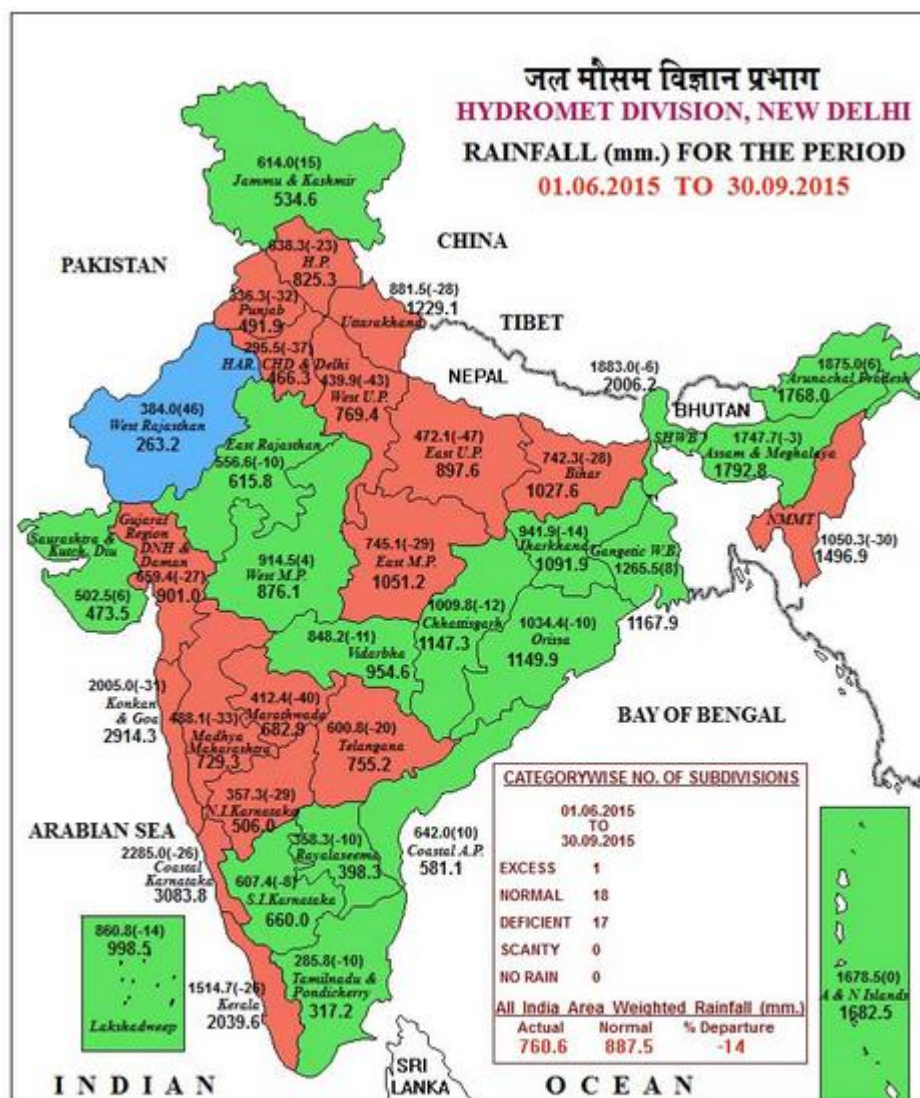
Soybean Prices are in INR/Qtl. Mandi prices – Loose, Mustard Seed Prices are in INR/Qtl.C –Condition (42%),
 *Groundnut seed in Rs/20 kg, Sunflower Seed in Rs/Qtl

Oilseed Arrivals in Key Centers:

Commodity	Centre	Arrivals in Bags/Qtl		Change
		Week End 26th Sept to 01th Oct 2015	Week End 19th to 25th Sept 2015	
Soybean				
	Madhya Pradesh	725000	390000	335000
	Maharashtra	175000	145000	30000
	Rajasthan	170000	115000	55000
	Bundi (Raj)	15000	1500	13500
	Baran (Raj)	78000	10300	67700
	Jhalawar (Raj)	17500	11400	6100
Rapeseed/Mustard	Rajasthan	230000	325000	-95000

Rainfall Status From 01 Jul. – 30 Sept. – IMD

As per IMD's Operational 2nd stage Long Range forecast for the 2015, Southwest monsoon rainfall to be 88% of the Long Period Average (LPA) compared to the previous forecast of 93% of the LPA with a model error of $\pm 4\%$. The deficiency probability is forecast at 66% while 27% below normal has hit the bull's eye. At the end of monsoon the all India departure of rain is reported at -14% (July. 01 – Sept. 30 2015)



Sown Area – *Kharif* Oilseeds, India

In the official *kharif oilseeds* planting report (week ending 01 Oct. 2015), the total coverage area under *Kharif* oilseeds is reported at 184 lakh hectares, up 3.8% from 177.25 lakh ha in the corresponding period of last year. Of the major oilseeds, soybean sowing is reported up by 5.5% at 116.29 lha compared to 110.23 lha during the corresponding period of last year. Groundnut at 36.56 lha vs 37.21 lha, sunflower at 1.5 lha vs 1.95 lha, sesamum 17.22 vs 16.34, niger at 1.61 lha vs 1.62 lha, and castor at 10.82 lha vs 9.9 lha during the same period last year.

Overall the *kharif* oilseeds area increased but the decline in yield potential will reduce the oilseeds production this season.

Crop	As on 01 Oct 2015	As on 01 Oct 2014	% Change
Groundnut	36.56	37.21	-1.7
Soybean	116.29	110.23	5.5
Sunflower	1.50	1.95	-23.1
Sesamum	17.22	16.34	5.4
Niger	1.61	1.62	-0.6
Castor	10.82	9.90	9.3
Total Oilseeds	184.00	177.25	3.8

(Area in lakh hectares) Source: GOI

Soybean

The domestic soybean posted gains on bullish international and domestic factors during the period under review.

Chinese soybean orders from US for 2015/16 delivery, reports of soybean stocks lower than the market expectations and lower estimates of India's soybean production estimates by various analysts remained bullish for the bean market.

The domestic soybean harvesting is gaining momentum and the new crop supplies have edged-up compared to the previous week. The peak supplies are expected to be around third week of October. Reduction in moisture is witnessed with sunny forecast ahead.

The new soybean prices at benchmark, Indore shot up by 4% in within a week, while it gained by 8% in the futures market.

SOPA has estimated India's 2015/16 soybean production at 8.6 million tonnes compared 9.0 million tonnes in 2014/15. However, Agriwatch pegged 9.0 million tonnes of soybean production compared 9.5 million in the previous season.

The latest IMD report suggests India's rain deficit at -14%, erratic/deficit rains have negatively hit the soybean yield. The crop is mostly under pod formation and maturity stage in the key soybean growing regions.

This year SOPA has conducted satellite based survey to ascertain the area under soybean cultivation in 58 major soybean growing districts in Madhya Pradesh, Maharashtra and Rajasthan. For rest of the country, Government's area figures have been considered.

To access the estimates of productivity and production, an extensive survey of standing and under harvest Crop was conducted in Madhya Pradesh, Maharashtra and Rajasthan during 15th September, 2015 to 24th September, 2015. To calculate the realistic productivity and production of Soybean, all the major factors have been taken into account.

According to satellite survey, the area under Soybean Cultivation is 110.656 lac hectares in the country, which is 5.629 lac hectares less than Government of India's figure of 116.285 lac hectares. According to SOPA's assessment, the production estimates of Soybean during kharif 2015 is 86.426 lac ton, which is 3.574 lac ton down (3.97 per cent) as compared to previous years revised estimates of 90 lac ton.

State wise report is as under:

Madhya Pradesh: According to satellite survey, the area under soybean cultivation in Madhya Pradesh is 56.127 lac hectares, as compared to Government's figures of 59.062 lac hectares. SOPA has estimated the production at 44 lac ton which is 7.604 lac ton down (14.74 per cent) as compared to previous years revised estimates of 51.604 lac ton.

Maharashtra: The government has released the area under soybean cultivation in Maharashtra as 37.739 lac hectare. As per SOPA's satellite survey, the area under soybean cultivation in Maharashtra is 35.852 lac

hectares. The production is estimated to be 27.835 lac ton which is 3.835 lac ton higher (15.98 per cent) as compared to previous years revised estimates of 24 lac ton.

Rajasthan: In Rajasthan, according to satellite survey the area under soybean cultivation during Kharif 2015 is 10.241 lac hectares as compared to 11.047 lac hectare of government's figure. The estimated production will be 9.292 lac ton which is 2.653 lac ton higher than previous year's figures of 6.639 lac ton showing an increase of 39.96 per cent.

Other States: In Andhra Pradesh, Karnataka, Chattisgarh, Gujarat and other states, satellite survey was not carried out and the area under soybean cultivation as per government is 8.437 lac hectare and a production of 5.300 lac ton is estimated during Kharif 2015.

International:

Soybean featured range-bound movement in the international benchmark, CBOT, primarily on Chinese soybean orders for new crop for 2015/16 delivery during the week under review.

US soybean harvesting has picked-up the pace and it is in full swing. US is looking for the big buyers for 2015/16 and 2016/17 delivery.

In a recent international Globoil 2015 conference on oils and fats in Mumbai, the renowned analysts presented their mixed views on demand and supply in oils and fats in the new season.

Oversupply of soybean on higher production estimates while fall in palm oil production due to El Nino factors on the other was pointed out by most of the analysts in the conference.

The September report of World Agriculture Supply And Demand Estimate by USDA has already increased the US soy production estimate to 3.935 billion bushel up 0.5% from 3.916 billion bushel estimated in August. It has increased the yield to 47.1 bushels per acre from previous 46.9 bpa. The market is waiting for the USDA's October WASDE report; we expect it to be bearish on likely higher production estimates.

In the quarterly USDA report the US soybean stocks as on 01 September 2015 were reported about 108% Y-o-Y at 5,209,730 metric tonnes compared to 2,503,580 during the same period last year.

The On farms stocks are reported at 13,52610 mt (58,0370 mt) and Off farms is reported at 38,57,120 mt (19,23,210 mt). The stocks are slightly lower than market expectations but higher than the same period last year.

In the US soybean crop progress report, as on 27 September, about 74% of the crop is dropping leaves which are above 5 year average of 74% and 66% during the corresponding period last year.

Soybean harvested is reported by 21% which is up from 5 year average of 16% and up from 9% during the corresponding period last year. About 62% of the crop is in good to excellent condition as against 72% during the corresponding period last year.

China has recently signed agreements to import about 13.18 million tonnes of US soybean amounting to US \$ 5.3 billion in Iowa. The deals are for 2015/16 shipments (MY Sep-Aug) with some exceptions of 2016/17 delivery.

According to CNGOIC China is expected to purchase 79 million tonnes of soybean in 2015/16 season. US soybean exports to China in the new season reported slowest in seven years due to oversupply.

There is a Chinese demand concern for soybean in the new season, which is unlikely to improve at the pace it was growing (about 10%). In 2015/16 the demand in Chinese soybean growth is likely to be just 2.5% to 79 million tonnes. China imported about 77 million tonnes of soybean in 2014/15 up 9.4% from 70.4% in 2013/14.

Soybean planting has commenced in Brazil and it is 1.7% complete, reported by AgRural. The planting is up 1.6% from the corresponding period last year and 5 year average. The planting has begun in the southern state of Parana which is forecast to receive better rains in coming days.

Celeres has estimated Brazil's 2015-16 soybean crop at 97.1 million tonnes, 1.2% more than the previous season (95.9 million tonnes). The planting is expected to increase by 2.3% to 32.2 million hectares or 80 million acres from last season.

The Celeres estimates are lower than the recent forecast of FC stone of about 100.1 million tonnes, but above its own production estimate of the current season.

FCStone has estimated Brazil's 2015-16 soybean production at 100.9 million tonnes, up from 96.2 million this season, 2014-15. Brazil's soybean planting is expected to commence in coming weeks.

Renewed Chinese buying from US, fresh buying in domestic cash market will push up the bean prices but gaining momentum in US and domestic soybean harvesting, lower crude, higher edible oil imports by India, poor soy meal shipments from India will limit the gains in near and medium-term.

Soy meal

The domestic soy meal posted gains in association soybean and supportive Malaysian palm oil during the week under review.

Both international and domestic factors remained influential for the meal. After a big deal on Chinese soybean buying from US last week, the USDA released quarterly US stock report on oilseeds and the figures were lower than the market expectations, though inventories were higher by 108% y-o-y .

Comfortable soybean stock with the key producers, expected oversupply in bean this season and subsequently in soy meal will make India's meal price uncompetitive in the international market which will in turn lead to poor soy meal exports from India.

Estimates of higher Brazilian soybean acreage and eventually increased production of soybean coupled with US production estimates near all-time high will lead to oversupply this year too, especially with concern over Chinese demand growth in the new season.

Hence, towards the trade security, the domestic soy crushers have aggressively started looking for the domestic soy meal market anticipating Indian meal prices to be uncompetitive compared to the South American prices in the new season also.

The optimum soy meal exports from India are between October and January, besides the domestic demand too improves from poultry industry during this period.

The exports enquiries continued to be weak and the chances of the revival of the exports are bleak.

The market is waiting for India's September exports figure. India's soy meal exports during August, 2015 were just 769 tons as compared to 2,778 tons in August, 2014 showing a decrease of 72.33% over the same period of last year.

On a financial year basis, India's export during April'2015 to August'2015 is 35,858 tons as compared to 96,201 tons in the corresponding period of previous year showing a decrease of 62.73%.

During current Oil year, (October – September), total exports during October 2014 to August, 2015 is 5,85,485 tons as against 20,60,782 tons last year, showing a decrease by 71.59%.

The demand shift to South America for meal due to the attractive offer price compared to India is the major reason for the shift. Forward booking from overseas market continues to be weak and discouraging for Indian meal. The underlying fundamentals continued to be bearish for India's soy meal with India's weak soy meal exports.

However, the increase in domestic seasonal demand in poultry will boost the demand in soy meal which may eventually lend support to the meal prices in coming days.

Considering the current global supply scenario, we feel, India may not be able to regain the market it lost last season due to competitive prices 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 has lost the ground owing to much higher soy meal price of Indian origin compared to the South American meal. Iran, Japan, Europe, Thailand, Vietnam, Indonesia and South Korea were the major destinations for Indian soy meal exports, whose demand shifted to South America.

The soy meal prices are likely to feature range-bound movement with firm bias followed by improved soybean prices in near-term.

India's Y-o-Y soy meal prices are lower. Soy meal export price, FOR Kandla (Oct. – Nov. delivery) was quoted higher between Rs 31,000– 32,000/MT compared to Rs 32,800 – 33,500/MT during the corresponding period last year.

Technical Analysis:

NCDEX Soybean Futures



Soybean Spot, Indore



*Note: Daily Chart

Support & Resistance NCDEX Soybean – Nov. contract

S1	S2	PCP	R1	R2
3298	3200	3539	3653	3750

- Soybean witnessed sharp gains in the market.
- Prices closed above 18-day EMA.
- RSI and stochastic are rising in overbought region.
- MACD is rising in positive territory.
- The prices are expected to feature gains in the coming week.
- Trade Recommendation (NCDEX Soybean – Nov.) Week: **BUY** Above 3500. Levels: T1 – 3600; T2- 3650, SL -3440.

Rapeseed - Mustard Seed

RM seed continued uptrend on good buying support from solvent extractors to cover their stock ahead of festivities, to meet the upcoming mustard oil demand.

Extended gains in BMD CPO lent addition support to the seed and remained supportive to the seed market like in previous week.

The stockists and the farmers continued to offload the seed at the current improved prices, hence the supplies increased compared to the arrivals couple of weeks back.

The total all India seed arrivals fell to about 4,25,000 bags during the week under review compared to about 5,95,000 bags previous week.

In Rajasthan the supplies were reported lower about 2,30,000 bags during the week compared to about 2,85,000 bags previous week.

India's rapeseed-mustard planting is expected to increase in 2015/16 as the seed prices witnessed new highs this season; this is despite huge edible oil imports during the season.

As we discussed earlier that, India's has recently increased the import duty on vegetable oils by 5% to 12.5% on crude oils and 20% on refined. But, the measure has failed to relieve the solvent extractors and the farmers. India's veg-oil importers are still keen in importing the edible oils at the same pace as prior to the rise in import duty.

Strong imports are mainly due to competitive price offers by the oil exporters. Malaysia and Indonesia are exporting palm oil at zero per cent export duty at the Malaysian ringgit is performing weak against US dollar making it attractive for importers. Higher edible oil imports have restricted the gains in the domestic seed.

The market is waiting for the India's September imports figure. India imported vegetable oils amounting to 1,374,049 tons (1,333,480 tons), up by 3 percent y-o-y. Palm oil imports were at 810,594 tons (805,131 tons), soybean oil at 406,116 tons (350,373 tons), Sunflower oil at 102,568 tons (140,349 tons), Rapeseed oil (Canola oil) at 45,294 tons (25,492 tons). Values in brackets are figures of August 2014. Imports from November to August were at 11,725,065 tons (9,525,374 tons), higher by 23 percent y-o-y.

According to SGS, Malaysia's September palm oil exports rose by 0.7 percent at 1,552,149 tons (1,542,017 tons). Top buyers were India at 355,910 tons (284,150 tons), European Union at 291,260 tons (353,073 tons), China at 221,195 tons (227,510 tons) and United States at 71,619 tons (72,575 tons). Values in brackets are figures of August 2015.

Exports slowed down towards the end of the month. Further fall in exports is expected due to increase in prices.

Malaysia Palm Oil Council (MPOC) cut palm oil output in Malaysia by 1 MMT to 19 MMT in 2016. It also estimated that prices of palm oil could touch 3000 Ringgit/ton on lower production and weak Ringgit. It estimated that September output will be lower than August output on EL Nino. Palm oil reached peak production in August and it is estimated that output will come down in coming months. El Nino has been recently taken seriously on high probability of occurrence, according to the board.

Palm oil output has been impacted by Haze which indicates the occurrence of El Nino. Markets have recently taken it seriously and prices have accordingly adjusted. In past Indonesian weather agency had forecasted that El Nino will not occur until November/December. Dry spell has started much before its forecast. Production will be affected in both Malaysia and Indonesia in 2016.

This will push up the international palm oil prices and eventually lend the support to the rapeseed prices at higher levels.

According to Oil World analyst Thomas Mielke, incremental global palm oil production growth in 2016 will be cut by 50 percent due to El Nino. Palm oil production of September will be below August production. Soybean futures prices will touch new lows on oversupply. Oil World has also stated that Indian farmers will move from rapeseed to pulses in the Rabi season. In the last quarter of 2015 and first quarter of 2016, global production of palm oil will fall from 3 MMT to 1.5 MMT due to lower yields on El Nino.

According to analyst James Fry of LMC International, Palm oil output in 2016 will fall below 2015 output on El Nino. CPO prices are seen up by 40 percent from current prices to \$700/ton on the premise that Indonesia implements its biodiesel policy in its full extent. Global Soybean oil prices could trade at a discount to palm oil in mid 2016, according to James Fry.

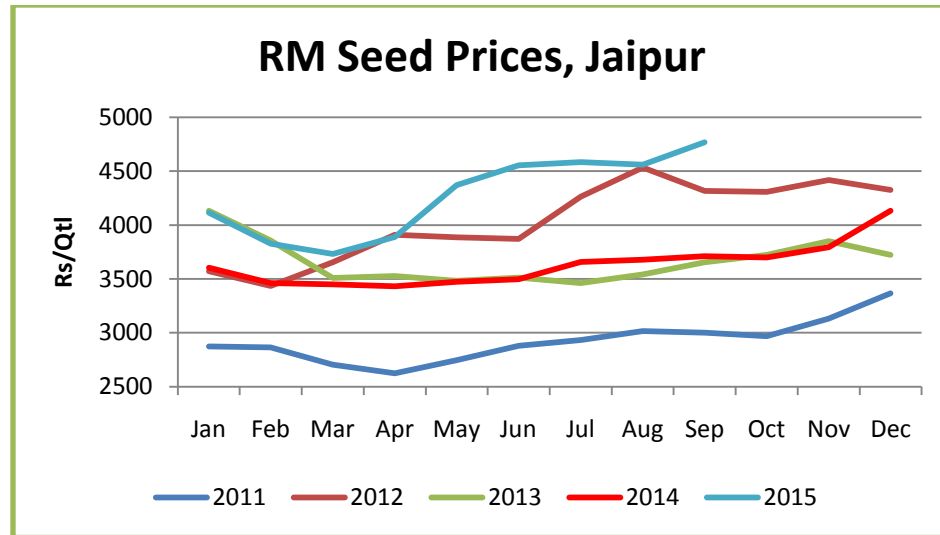
Palm oil prices have risen on the impact of El Nino which has set in dry spells in Malaysia and Indonesia. Production will certainly be hit and most of it will be in Indonesia, according to Agriwatch.

According to Indonesia Palm Oil Association, Indonesia's 2016 palm oil production has been estimated at 31-31.5 MMT v/s 32.5 MMT in 2015 down due to El Nino. Indonesia's El Nino conditions will be moderate between July and September mostly affecting from Sumatra to eastern Indonesia. Weather pattern could strengthen from September to December.

International Meteorological Organization (IMO) has already forecasted that present El Nino will be strongest in history. United States Meteorological Organization has forecasted that present El Nino could last till next summer. Japan Meteorological Organization has forecasted that El Nino will be strongest in December.

The outlook for domestic rapeseed-mustard remains strong for medium-term owing to better demand from the crushers ahead of festivities when mustard oil is in demand.

Surge in Malaysian palm oil and gains in soybean will further pushed up the RM seed prices leading to fresh demand from solvent extractors. However, increased vegetable oil imports by India will limit the gains in rapeseed-mustard prices in near-term.



Technical Analysis:

NCDEX RM Seed Futures



*Note: Daily Chart

RM Seed Spot, Jaipur



Support & Resistance NCDEX RM Seed – Nov. contract

S1	S2	PCP	R1	R2
4400	4300	4665	4800	4900

- RM seed witnessed sharp gains in the market.
- Prices closed above 9-day and 18-day EMA.
- RSI and stochastic are rising in overbought zone.
- MACD is rising in positive territory.
- The prices are expected to feature gain in the coming week.
- Trade Recommendation (NCDEX Soybean – Nov.) Week: **BUY** Above 4600. Levels: Target – 4700; T2- 4750, SL - 4540.

Annexure

MSP of 2015/16 Kharif Oilseeds Increased

The Cabinet Committee on Economic Affairs has given its approval for the Minimum Support Prices (MSPs) for Kharif Crops of 2015-16 seasons. The decision is based on recommendations of Commission for Agricultural Costs and Prices (CACP) for the Price Policy of Kharif Crops for the Marketing Season 2015-16. The MSP of all the kharif oilseeds have been increased.

The MSP of soybean is raised by Rs. 40/qtl from previous season to Rs2600/qtl, Groundnut by Rs 30/qtl to Rs 4030/qtl, sunflower and Niger seed by Rs 50/qtl to Rs 3800/qtl and Rs 3650/qtl respectively. The MSP of sesamum is increased by Rs 100/qtl to Rs 4700/qtl.

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.

International Updates

- ❖ Oil World has revised the global oilseeds production upward by 3.5 Mn T from a month earlier, mainly on account of Argentine soybeans.
- ❖ As per Oil World, Indonesia palm oil production is seen at 32.4 million tons for 2014-15 v/s 30.5 million tons last year and Malaysian palm oil production is 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 is seen at USD 770 /T and USD 750/T respectively.
- ❖ Oil World has estimated Argentina's shipments of vegetable oils to improve by approximately 0.6 Mn T this season.
- ❖ 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.

- ❖ Oil World has raised the global production of soybeans by 1.3 Mn T to 309.1 Mn T, 24.3 Mn T, above last season.
- ❖ 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.
- ❖ The total oil meal 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.
- ❖ Oil World has estimated a combined soy meal imports of 8 key countries in Southeast Asia at a record 16.6 Mn T next season, which is up 1.4 Mn T on the year.
- ❖ 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 to be at 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 the world total supplies.
- ❖ Brazil's 2014/15 soybean production is forecasted at 94 million tons by crop analysts FCStone International.
- ❖ Brazil's analyst Abiove raised its estimate for the recent harvested 2014/15 soy crop to 93.06 million tons from the last forecast of 92.69 million tons.
- ❖ AgRural, Brazilian analyst, has estimated Brazil's 2014-15 soybean crop to 93.8 million tons from 93.3 million tonnes earlier. The production is record high, despite late plantings due to the initial dry weather.
- ❖ Brazil based analyst Safras & Mercado forecasts the 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 than the 45.6 million tonnes estimated to be exported during the current season.
- ❖ 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 by 4.31 percent from 2013-14. The total oilseeds production includes 310.80 million tons of soybean, 68 million tons of rapeseed, 41.4 million tons of sunflower seed and others.

- ❖ As per Agroconsult, Brazil is likely to produce 95.1 million tons of soybeans in 2014-15, up 1 million tons from previous estimates. Moreover, Argentina soybean crop output for 2014-15 is seen at 56.6 million tons.
- ❖ Argentina's 2014/15 soybean crop is forecasted at a record 60.8 million tons by the Buenos Aires Grains Exchange, increasing its last estimate of 60.0 million tons.
- ❖ The Argentine government raised its soybean production for the 2014/15 soybean harvest by 1 million tons to 60 million tons.

Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.asp>

© 2015 Indian Agribusiness Systems Pvt Ltd.