

# Oilseeds Weekly Research Report

## Contents

- ❖ Executive Summary
- ❖ Outlook – Cash Market
- ❖ International Highlights
- ❖ Planted Area
- ❖ Soybean – Domestic & International
- ❖ Soy meal
- ❖ Technical Analysis - Soybean
- ❖ Rapeseed - Mustard
- ❖ RM Seed Supply, Rajasthan
- ❖ Technical Analysis – RM Seed
- ❖ Annexure – Prices etc.

## Executive Summary

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Soybean, soy meal and rapeseed-mustard witnessed gains supported by firm international oils and fats market, some gains in the crude and better buying by the solvent extractors in the cash market during the week under review. Some gains in crude too remained

Heavy rains in Brazil have disrupted the soy supplies from the country with heavy congestion at key ports leading importers to shift their demand to US.

The domestic rapeseed-mustard harvesting is gaining momentum, stockists and the solvent extractors are keen in covering the stocks lending support to the prices at higher levels.

However, weakness in crude, beneficial rains for soybean in Argentina remained pressurizing limited the gains in soybeans.

Soybean, meal are expected to feature range-bound movement while rapeseed-mustard is likely to witness some losses on rising new crop supplies in coming days.

Beneficial rains in Argentina, higher supply prospects from Brazil with increasing harvesting pace in soybean, lower soy meal exports from India, higher edible oil stocks with India after huge imports will limit any sharp gains in bean and meal, in near-term.

## Outlook – Cash Market

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**Outlook - Soybean (Spot, Indore):** Soybean prices are expected to feature range-bound movement, sharp gains are ruled out. Weak soy meal exports, better crop prospects in Brazil and Argentina after beneficial rains, higher edible oil inventories, higher global supply scenario and weakness in crude will continue to pressurize the market in near-term. The prices are expected to feature range-bound movement and witness 3700 – 3850 levels (Indore, Plant basis).

**Outlook – Soy meal:** Significant fall in soy meal exports from India, competitive soy meal price in South America has led to demand shift to the region and Indian meal exports were badly hit last two seasons. Indian meal exporters are advised to explore new markets and aggressively try to regain the lost markets of peak exports 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. Soy meal, Indore is expected to be in the range of Rs. 33,500 – 33,700/MT levels during the week.

**Outlook - Rapeseed-Mustard (Spot, Jaipur basis):** In spot, the RM seed supply pressure is gradually rising and the peak supplies are yet to come. However, better seed buying in the cash market, rising Malaysian palm oil prices will push up the seed prices. The new seed prices are likely to be between 4550 – 4600; levels during the week.

## International Highlights

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- ❖ Rosario Grain Exchange has raised its Argentina's 2015/16 soybean production forecast to 58.5 million tonnes from 55 million, considering that the weather remains favorable in coming days.
- ❖ Moisture stress to soybean crop in Argentina due to dry weather last month had negatively hit and damaged around 800,000 hectares of soybean.
- ❖ AgRural has increased its Brazil's forecast for the 2015/16 soybean to 99.7 million tonnes from 98.7 million after beneficial rains received by the country in recent days.
- ❖ The Global Feed Survey 2016 by Alltech has reported that the global feed (bird and animal) production increased by 1.5% in 2015 on faster growth in poultry. The survey estimates feed production at 995.5 million tonnes which indicates 14% rise since Alltech's previous survey in 2011. The analysis of five-year trends pointed to growth predominantly from the pig, poultry and aqua feed sectors in the African, Middle Eastern, Latin American and Europe.
- ❖ Informa Economics has raised its forecast of 2015/16 soybean outturn in Argentina to 60 million tonnes compared to 58.5 million tonnes in December.
- ❖ However, Informa has lowered its Brazil's forecast of 2015/16 soybean production to 100.5 million tonnes from 101.4 in December.
- ❖ According to cereal exporters association of Brazil-ANEC, Brazil is estimated to export 57 MMT of soybean in 2016. Most of the shipments will be from new northern ports, exporting 4.00 MMT higher than last year.
- ❖ Informa Economics, private analytics, has slashed the US 2016 soybean plantings to 84.537 million acres, from 85.3 million projected in its previous forecast. US cultivators planted 83.2 million acres of soybeans in 2015, according to USDA.
- ❖ China the largest soybean importer is expected to purchase 2 million tonnes more in 2015/16 at 80 million tonnes, up 2.1% compared to 2014/15 on likely higher crushing demand in the new marketing season, said China National Grain and Oils Information Center.
- ❖ Brazil is expected to export 55 million tonnes of soybean in 2015/16 up compared to 53.8 million tonnes forecasted in October by Abiove.

- ❖ AGR Brasil has slightly raised its 2015/16 soybean forecast of Brazil to 100.6 million tonnes from 100.5 million.
- ❖ Lanworth, US crop forecaster has projected Brazil's 2015/16 soybean production to a record 103.0 million tonnes just after Conab, the Brazil government's crop supply agency, reduced its projections citing dry weather in top soy growing belts in November and December.
- ❖ Conab, the Brazil government's crop supply agency, has slashed Brazil's 2015/16 soybean production forecast to 102.1 million tonnes from 102.5 million projected in December.
- ❖ Franca Junior has lowered its forecast for Brazil's 2015/16 soybean crop to 97.9 million tonnes from 101.1 million in its previous estimate.
- ❖ Brazil is expected to export 55 million tonnes of soybean in 2015/16 higher compared to 53.8 million tonnes forecasted in October by Abiove.
- ❖ FCStone has slashed 1 million tonnes of their forecast for Brazil's 2015/16 soybean crop to 97.8 million tonnes followed by initial losses on yield output due to dry weather condition in the key soybean growing areas in November and December.
- ❖ Celeres has raised their 2015/16 projections for Brazil's production to 101.9 million tonnes from 97.1 million tonnes earlier.
- ❖ EU soybean purchases are seen increasing to 14.6 Mn T this season and crushings may improve by 1.0 Mn T to a multi-year high of 15.0 Mn T.
- ❖ Indonesia's palm oil output in 2016 will be at 33 MMT, 5.00 lakh tons lesser than previously estimated 33.5 MMT due to El Nino. Current year output forecast is at 31.5 MMT, Indonesian Palm Oil Board.
- ❖ 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, Palm Oil Association.

## Sown Area – *Rabi* Oilseeds, India

In the final official Rabi oilseeds planting report, by the Ministry of Agriculture, (week ending 28 Jan. 2016), the total coverage area under Rabi oilseeds is reported at 77.43 lakh hectares, down 2.6% from 79.51 lakh ha in the corresponding period of last year. Of the major oilseeds, rapeseed-mustard sowing is reported down by 1% at 64.51 lha compared to 65.17 lha during the corresponding period of last year. Groundnut at 4.45 lha vs 5.96 lha, safflower at 1.10 lha vs 0.96 lha, sunflower at 2.95 lha vs 3.19 lha, sesamum 0.56 vs 0.88 and Linseed at 2.93 lha vs 3.19 lha during the same period last year.

### State wise Area Covered under Kharif Oilseeds for Week Ending as on 28 Jan. 2016

*Area in Lakh Hectares*

State	Rapeseed/Mustard		Groundnut		Safflower		Sunflower		Sesamum		Linseed		Total	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
Andhra Pradesh	0.01	0.00	0.72	0.57	0.00	0.01	0.13	0.32	0.08	0.32	0.00	0.00	1.05	1.30
Arunachal Pradesh	0.30	0.28	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.30	0.28
Assam	2.11	3.07	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.11	3.07
Bihar	1.23	1.25	0.00	0.00	0.00	0.00	0.03	0.03	0.00	0.00	0.38	0.40	1.64	1.68
Chhattisgarh	1.26	1.35	0.14	0.09	0.06	0.07	0.06	0.03	0.02	0.02	0.50	0.63	2.08	2.23
Gujarat	1.91	1.93	0.00	0.00	0.00	0.06	0.00	0.00	0.00	0.00	0.00	0.00	2.10	2.14
Haryana	5.80	5.25	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5.80	5.25
Himachal Pradesh	0.04	0.03	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.06	0.03
J&K	0.31	0.30	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.32	0.30
Jharkhand	1.94	0.80	0.00	0.00	0.02	0.01	0.01	0.00	0.00	0.00	0.27	0.20	2.24	1.01
Karnataka	0.00	0.00	0.45	1.44	0.50	0.35	2.15	1.97	0.00	0.00	0.06	0.05	3.18	3.83
Kerala	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

<b>Madhya Pradesh</b>	6.25	6.63	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.17	1.14	7.42	7.77
<b>Maharashtra</b>	0.00	0.00	0.00	0.00	0.47	0.41	0.17	0.18	0.01	0.02	0.16	0.18	0.91	0.88
<b>Odisha</b>	0.96	1.10	0.97	1.11	0.00	0.00	0.09	0.07	0.28	0.34	0.08	0.21	2.43	2.87
<b>Punjab</b>	0.40	0.30	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.54	0.30
<b>Rajasthan</b>	25.44	26.41	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.01	0.01	25.56	26.42
<b>Tamil Nadu</b>	0.00	0.00	0.93	1.29	0.00	0.00	0.05	0.06	0.12	0.14	0.00	0.00	1.12	1.50
<b>Telangana</b>	0.00	0.01	1.05	1.30	0.04	0.05	0.10	0.10	0.01	0.03	0.00	0.00	1.21	1.51
<b>Uttar Pradesh</b>	11.23	11.42	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.19	0.32	11.42	11.74
<b>Uttarakhand</b>	0.19	0.18	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.19	0.18
<b>West Bengal</b>	4.76	4.74	0.19	0.17	0.00	0.00	0.14	0.09	0.01	0.02	0.05	0.05	5.22	5.09
<b>Others</b>	0.38	0.13	0.00	0.00	0.00	0.00	0.02	0.00	0.02	0.00	0.06	0.00	0.53	0.13
<b>All-India</b>	<b>64.51</b>	<b>65.17</b>	<b>4.45</b>	<b>5.96</b>	<b>1.10</b>	<b>0.96</b>	<b>2.95</b>	<b>2.84</b>	<b>0.56</b>	<b>0.88</b>	<b>2.93</b>	<b>3.19</b>	<b>77.43</b>	<b>79.51</b>

## Soybean

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Soybean posted gains supported by strength in rapeseed-mustard and international benchmark, CBOT during the period under review.

Slight gains in crude and domestic soy meal demand lend support to the soybean.

However, the market continued to witness range-bound movement in the absence of overseas meal demand, disparity on crushing and sluggish international soy market.

The domestic soybean is trading in a narrow range between Rs 3,700 – 3,850 per quintal in the benchmark, Indore since last couple of months. In cash market, soybean has once again failed to breach 3850 level at Indore during the week.

Only a few domestic solvent extractors are keen in buying the beans for crushing to meet the domestic meal and oil demand, leading to hand to mouth purchases of beans.

The major buyers in Madhya Pradesh are as follows: Amrit Mandsaur, ABIS Rajnandgaon, Laxmi Solvex, Sanwariya – Itarasi, SSA Mandideep, Adani, Cargill, Adani, Bansal, Khandwa Oil, Ruchi, Agrawal Neemuch, Betul Oil, Prakash, Bajrang, Prestige, Ambuja, Prakash, Sitashri, Divya Jyoti, AV Agro, Rama Sitashri Vippy, Kriti, Mahakali, Mahalaxmi, Dhanuka, Khyati, Premier, Dhan Laxmi, Dhanuka Soy, Indian Solvent (ABIS) and Advantage Overseas (10-2-2 specification) for Dewas and Mandsaur delivery during the week.

***The domestic soybean prices are likely to feature range bound movement in the absence of any fresh overseas meal demand, increased edible oil imports at attractive prices, lower crude and bearish global supply scenario in upcoming weeks.***

### International:

The international soybean at benchmark, CBOT, extended previous week's gains on soy shipment delays from Brazil due to heavy rains leading to port congestion.

Heavy rains had disrupted the Brazilian soy exports which lead the importers to shift their demand to US. Besides, China is expected to return in the market for soy purchases after Lunar New Year holiday previous week.

The National Oilseed Processors Association (NOPA) reported US January 2016 soy oil stocks at 1.526 billion lbs v/s 1.481 billion lbs in December 2015, higher by 3 percent m-o-m. Soy oil stocks in January 2015 were 1.228 billion lbs.

Crush of soybean in US in January 2016 is reported at 150.453 million bushels v/s 157.111 million bushels in December 2015, lower by 9.99 percent m-o-m. In January 2015 crush of soybean in US was reported at 162.675 million bushels. US soy oil production in January 2016 fell to 1,758.38 million lbs v/s 1,834.03 million lbs in December 2015, lower by 4.1 percent m-o-m.



China's soybean purchased declined 17.7% in January from the corresponding period last year, analysts expect China's imports to fall further in February due to traditional holidays.

Pakistani importers bought about 60,000 tonnes of soybeans for May shipment to be sourced from Brazil for May 2016 delivery. Pakistan has increased its soybean imports in recent months to process it domestically to reduce their import bills on soy oil and soy meal.

However, the gains were restricted with forecast of beneficial rains in Argentina.

Rosario Grain Exchange has raised its Argentina's 2015/16 soybean production forecast to 58.5 million tonnes from 55 million, considering that the weather remains favorable in coming days.

Moisture stress to soybean crop in Argentina due to dry weather last month had negatively hit and damaged around 800,000 hectares of soybean.

AgRural has increased its Brazil's forecast for the 2015/16 soybean to 99.7 million tonnes from 98.7 million after beneficial rains received by the country in recent days.

Soybean exports from Brazil is expected to increase late February and Oil World has anticipated that they are likely to be boosted to at least 5-6 Mn T in March.

World supplies of soybeans are likely to increase sharply by 19 Mn T in 2015/16, despite a global prospective production decline by 3 Mn T, leading to another above-average increase in soybean crushings, reports Oil World.

Argentina is likely to produce 58 million tonnes of soybean in 2015/16. This is the first estimate by Buenos Aires Grain Exchange in the weekly report last week.

However, according to the estimates by the government agency, Argentina's 2015/16 soybean production is estimated near 60 MMT which is below last year production of 61.4 MMT.

China is expected to import record volumes of the oilseed again this season as crushers take advantage of overseas supplies at attractive price to meet nearly all the demand for protein-rich meals.

China's crushing industry is expected to grow by 10% in 2016 to a capacity of 179 million tonnes. The capacity increased by 4% to 162 million tonnes in 2015.

China imported around 78.36 million tonnes of soybean previous season, i.e. between October and September; it is expected to import 82 – 84 million tonnes this season. The projected growth of 2.1 percent is the lowest since 2011/12 as the country's overall economy is slowing.

The rise in demand is cited due to higher than expected demand for soy meal due to rise in China's hog stocks.

*Beneficial rains in Argentina, increasing soybean harvesting pace in Brazil, lower crude, higher inventories of edible oils at Indian ports, poor soy meal shipments from India will continue to keep the soybean prices under pressure in near-term.*

## Soy meal

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Steady to slightly firm sentiments featured in the soy meal market on steady domestic demand, some gains at the CBOT soy meal and weak exports from India during the week in review.

Continued domestic soy meal demand from poultry units and feed manufactures restricted any fall during the week. But weak exports limited the gains in meal.

At international benchmark, CBOT, the soy meal rebound fresh its fresh lows at US \$ 260.4 per ton previous week.

Soy meal prices continued to feature range-bound movement in a narrow price band of Rs 32,000 – 34,000 per ton since last couple of months.

At Latur, Maharashtra, soy meal was quoted at Rs 37,000/MT compared to Rs 34,000/MT in Indore, M P. and Rs 32,700/MT in Kota, Rajasthan on Friday. The meal prices of the various centers of Maharashtra were at premium compared to the centers of Madhya Pradesh. This is due to the freight advantage for the South-Indian poultry units from Maharashtra over Madhya Pradesh.

***India's export of soy meal during January, 2016 was just 7,707 tons as compared to 1,03,934 tons in January, 2015 showing a decrease of 92.58% over the same period of last year.***

***On a financial year basis, the export during April'2015 to January'2016 is 69,266 tons as compared to 5,35,303 tons in the same period of previous year showing a decrease of 87.06%.***

***During current Oil year, (October – September), total exports during October 2015 to January, 2016 is 26,520 tons as against 4,38,442 tons last year, showing a decrease by 93.95%.***

Japan, Kenya, Kuwait, Myanmar, New Zealand, Oman, Seychelles and Thailand were the buyers of Indian soy meal in January.

Lower exports are mainly due to demand shift to South America. This is mainly due to the attractive offer price compared to India.

India's Y-o-Y soy meal prices, Indore, are higher. Soy meal export price, Indore was quoted higher between Rs 33,300 – 34,000/MT during the week compared to Rs 28,5000 – 29,500/MT during the corresponding period last year.

*India may not be able to regain the market it lost last season due to competitive prices in South American and China's coupled with bearish factors.*

*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.*

Poultry production in Brazil and Argentina has increased sharply which has increased their domestic meal consumption.

World exports of soy meal were larger than expected in January and increased by around 1.0-1.2 Mn T or about 24% from previous year, said Oil World.

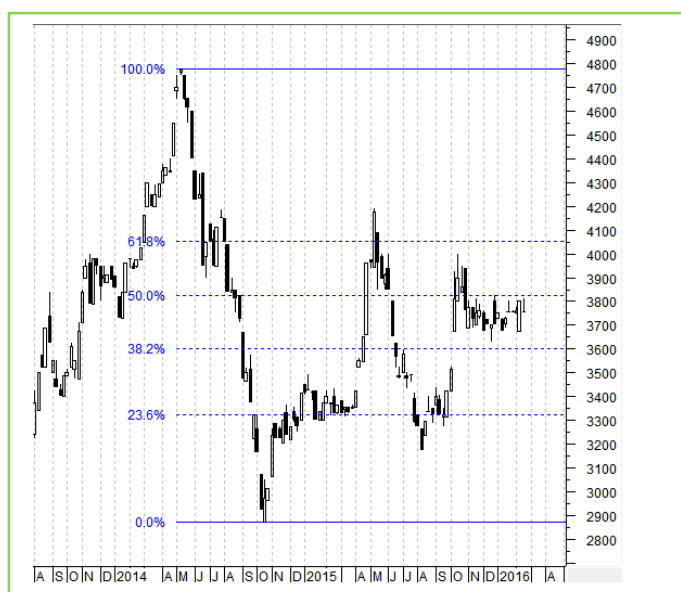
*The soy meal prices will feature range-bound movement with firm bias on domestic demand but the gains will be limited due to the weak exports from India and bearish global supply scenario in near -term.*

## Technical Analysis:

### NCDEX Soybean Futures



### Soybean Spot, Indore



\*Note: Daily Chart

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

S1	S2	PCP	R1	R2
3641	3560	3789	3971	4077

- Soybean witnessed sideways movement, finally ended indecisive – Doji candle, during the week.
- Prices closed below 18-day EMA.
- RSI and stochastic are falling in neutral region.
- MACD is falling in the negative territory.
- The prices are expected to feature losses in the coming week.
- Trade Recommendation (NCDEX Soybean – Mar.) Week: **SELL** Below 3900. Levels: T1 – 3800; T2- 3750, SL - 3960.

## Rapeseed - Mustard Seed

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Rapeseed-mustard continued upward trend on buying interest in the cash market during the week under review. The solvent extractors and the stockists were keen in buying the seed lending support to the prices at higher levels.

Rapeseed-mustard harvesting in India has picked-up the pace across the key growing states adding the seed supplies at the cash market centers and will increase further in short-term.

However, cloudy weather and light rains (precipitation above 80%) in northern parts of India due to western disturbance has raised the harvesting concern among the cultivators.

IMD reports convective clouds over most parts of Jammu and Kashmir, Himachal Pradesh, Uttarakhand, Haryana, Chandigarh and Delhi; some parts of Punjab, Rajasthan, West Uttar Pradesh, Gujarat, Lakshadweep area and east Arabian sea. Low and medium clouds are seen over rest parts of western Himachal region, Rajasthan, Punjab, Haryana, Chandigarh & Delhi, Gujarat, Konkan and Goa, Tamilnadu and northeastern states.

Heavy rains are ruled out in near-term. The mustard seed harvesting is nearing completion in Uttar Pradesh, it is expected to complete in 10-15 days in the state.

The recent average total all India daily arrival of seeds is reported around 1.30 lakh bags compared to around 70,000 bags during the same period last month and 75,000 bags during the corresponding period previous year.

We expect the supplies to gradually improve in the coming weeks with the increase in the harvesting pace which is likely to peak between mid-March and April.

Agriwatch has forecasted India's 2015/16 rapeseed-mustard production between 5.5 – 6.0 million tonnes.

In the official final planting report of the ministry of agriculture, India's planted area under rapeseed-mustard is reported down by just 1% at 64.51 lakh hectares compared to 65.17 lakh hectares during the corresponding period last year. *India's total 2014/15 area under rapeseed-mustard stood at 65.17 lakh hectares lower by about 9% from 2013/14 area of 71.0 lakh hectares.*

India's edible oil imports and BMD CPO determines domestic rapeseed-mustard prices.

India imported 1,255,054 tons of edible oil in January 2016 v/s 1,082,670 tons in January 2015, higher by 15.9 percent y-o-y. Palm oil imports were 688,393 tons (658,670 tons), higher by 4.5 percent y-o-y. Soy oil imports were 441,200 tons (224,430 tons), higher by 96.6 percent y-o-y. Sunflower oil imports were 118,000 tons (155,811 tons), lower by 32 percent y-o-y. Rapeseed (canola) oil imports were 7,481 tons (43,759 tons), lower by 82.9 percent y-o-y. Values in brackets are figures of January 2015.

Imports of edible oil in the first quarter of oil year 2015-16 were 3,995,135 tons v/s 3,355,681 tons in the corresponding period last oil year, higher by 19 percent, reported by Solvent Extractors Association (SEA).

India's Palm oil imports in first quarter in the oil year 2015-16 were 2,350,063 tons (2,293,994 tons), higher by 2.4 percent y-o-y. Soy oil imports in the same period were 1,188,754 tons (442,544 tons), higher by 169 percent. Sunflower oil imports in the same period were 398,398 tons (501,469 tons), lower by 20 percent. Rapeseed (Canola) oil in the same period was 57,920 tons (117,664 tons), lower by 50 percent.

India edible oil stocks at ports and in pipelines fell to 2.46 MMT in January 2015 from 2.51 MMT in December 2015. Edible oil stocks at various ports on 1st February at is estimated at 1.06 MMT (CPO 0.445 MMT, RBD palmolein 0.155 MMT, degummed soy oil 0.325 MMT tons, crude sunflower oil 0.105 tons and 0.025 tons of Rapeseed (Canola) Oil) and 1.4 MMT in pipelines. Stocks at ports and in pipelines are estimated at 46 days of India's edible oil consumption compared to 1.6 MMT for India's monthly consumption, reported Solvent Extractors Association (SEA).

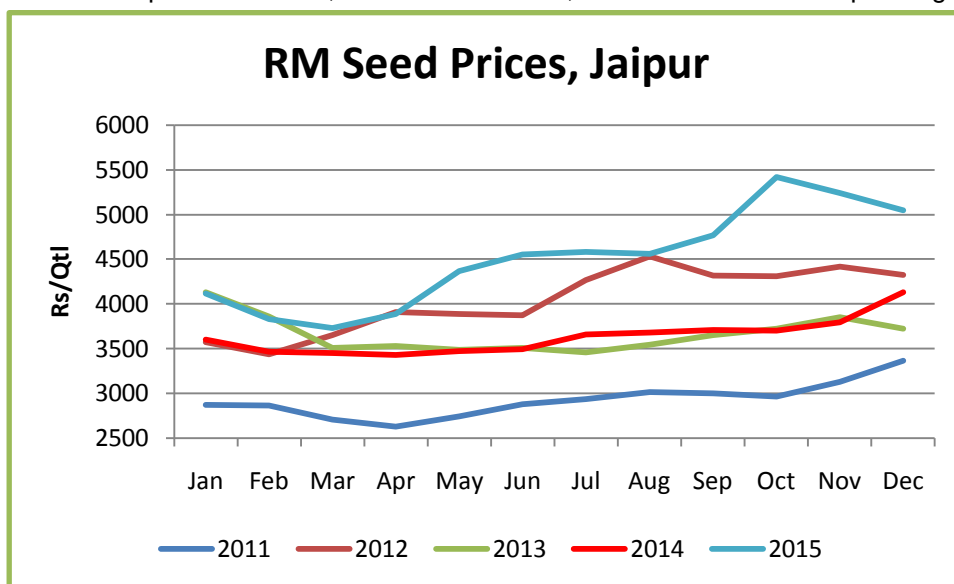
Malaysia's January palm oil ending stocks fell by 12.38 percent to 2.31 MMT from 2.63 MMT in December 2015. Primary reason of fall in stocks was fall in production by 19.26 percent to 1.13 MMT (1.4 MMT). Exports fell by 12.38 percent to 1.279 MMT (1.484 MMT). Imports were 0.037 MMT (0.087 MMT), lower by 135 percent m-o-m. Values in brackets are figures of December 2015, reported by Malaysia's palm oil industry regulator Malaysian Palm Oil Board (MPOB),

Malaysia kept its March palm oil export duty unchanged at zero. Tax is calculated at a reference price of 2,172.69 ringgit per ton for March. Duty is calculated at prices above 2,250 per ton starting from 4.5 percent to a maximum of 8.5 percent.

It was anticipated that Malaysia could impose export duty on palm oil on recovery of prices. However, imposing duty is difficult as Indonesia's palm oil prices are competitive with USD 50 per ton export levy, which will make Malaysian palm oil uncompetitive in international market.

Malaysia's 1-15 February exports fell 14.2 percent to 420,152 tons from 489,468 tons in the corresponding period last month. Top buyers were European Union at 136,466 (75,168 tons), US at 74,028 tons (29,300 tons), India at 65,500 tons (80,000 tons) and China at 32,055 tons (75,607 tons). Values in brackets are figures of corresponding period last month.

China imported 530,000 tons of edible vegetable oils in January, up 15.9 percent y-o-y. Reported cargo surveyor Societe Generale de Surveillance (SGS).



Indonesia's palm and palm kernel oil exports fell by 16 percent in January 2016 to 2.10 MMT from 2.506 MMT in December 2015. Top buyers were India at 383,650 tons (450,680 tons), European Union at 351,130 tons (368,720 tons) China at 275,600 tons (632,350 tons), Pakistan at 235,080 tons (165,270 tons), Bangladesh at 85,940 tons (96,700 tons) and Middle East at 222,130 tons (200,460 tons). Values in brackets are figures of December 2015, said Indonesia Palm Oil Association (GAPKI).

*Outlook: The rapeseed-mustard is expected get supply pressure in coming weeks with increasing pace in harvesting, weakness in soybean and higher edible oil stocks at Indian ports after huge imports.*

## Technical Analysis:

### NCDEX RM Seed Futures



\*Note: Daily Chart

### RM Seed Spot, Jaipur



### Support & Resistance NCDEX RM Seed - Apr. contract

S1	S2	PCP	R1	R2
3845	3787	3988	4190	4251

- RM seed featured mild gains during the week.
- Prices closed below 18-day EMA.
- RSI and stochastic are rising in neutral zone.
- MACD is rising in negative territory.
- The prices are expected to feature gains during the week.
- Trade Recommendation (NCDEX Rapeseed-Mustard – Apr.) Week: **SELL** Below 4000. Levels: Target – 3900; T2- 3800, SL - 4060.

## Annexure

**Oilseed Prices at Key Spot Markets:**

Commodity / Centre	Prices (Rs/Qtl)				Change
Soybean	19-Feb-16		12-Feb-16		
	Low	High	Low	High	
Indore –Plant	3700	3800	3775	3825	-25
Indore–Mandi	3525	3725	3600	3775	-50
Nagpur-Plant	3750	3800	3750	3800	Unch
Nagpur – Mandi	3210	3660	3310	3780	-120
Latur – Mandi	3250	3825	3600	3861	-36
Kota-Plant	3650	3700	3750	3800	-100
Kota – Mandi	3550	3600	Closed	Closed	-
Bundi-Plant	3680	3700	3700	3725	-25
Bundi-Mandi	3550	3600	3600	3625	-25
Baran-Plant	3600	3625	3700	3750	-125
Baran-Mandi	3500	3550	3500	3600	-50
Bhawani Mandi Jhalawar–Kota-Plant Delivery	3620	3700	3500	3600	100
Jhalwar-Mandi	3600	3625	Closed	Closed	-
Rapeseed/Mustard					
Jaipur-(Condition)	4570	4575	4470	4475	100
Alwar-(Condition)	4200	4300	4100	4200	100
SriGanganagar-(Non-Condition-Unpaid)	3950	4000	3900	3950	50
New Delhi–(Condition)(New Crop)	4100	4150	4100	4125	25
Kota-Non-(Condition)	3800	4100	Closed	Closed	-
Agra-(Condition)	4500	4600	4550	4600	Unch
Neewai	4300	4400	4100	4250	150
Hapur (UP)(New Crop)	4000	4050	3975	4000	50
Groundnut Seed					
Rajkot	910	910	865	865	45
Sunflower Seed					
Gulbarga	3385	3606	3080	3588	18
Latur	3825	4187	3701	4141	46
Sholapur(New Crop)	3850	3900	3800	3825	75
Sesame Seed					
Mumbai (White98/2/1	5700	5700	5700	5700	Unch

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
		13th Feb to 19th Feb 2016	6th Feb to 12th Feb 2016	
Soybean				
	Madhya Pradesh	240000	200000	40000
	Maharashtra	325000	255000	70000
	Rajasthan	138000	110000	28000
	Bundi (Raj)	650	2850	-2200
	Baran (Raj)	8000	9200	-1200
	Jhalawar (Raj)	4000	4500	-500
Rapeseed/Mustard	Rajasthan	220000	110000	110000

## 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 Rs 2600/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.

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