

Oilseeds Weekly Research Report

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Executive Summary

Soybean and soy meal posted mild gains extending previous week's levels on improved enquiries in soy meal and likely fall in the soybean area this season reported by the trade body – SOPA.

Besides, international soybean ended higher compared to the previous week. However, the gains were limited due to the easing concern on unfavorable weather predicted initially for US Midwest, better US soybean crop condition and lower crude (around US \$ 41/bbl).

About 71% of the newly planted US soybean crop is under good to excellent conditions which is up from 62% during the same period last year, reported in the US crop progress report dated 24 July 2016.

However, rapeseed-mustard witnessed mild losses after continued rally for 8 week on better miller's demand to meet the mustard oil demand during monsoon.

The domestic soybean and meal are expected to feature range-bound movement with firm bias on improved enquiries for soy meal.

Rapeseed-mustard will rebound and head upwards once again after some correction on fresh miller's demand to meet the upcoming mustard oil demand in near to medium-term.

Outlook – Cash Market

Outlook - Soybean (Spot, Indore): The bean prices extended previous week's gain on likely rise in soy meal demand and expected fall in the soybean area this season. **However,** expectation of boost in the soybean production this season, weak soy meal exports, higher inventories in edible oils, lower crude will pressure the domestic soybean to some extent. The prices are expected to feature range bound movement and witness 3750 – 3850 levels (Indore, Plant basis).

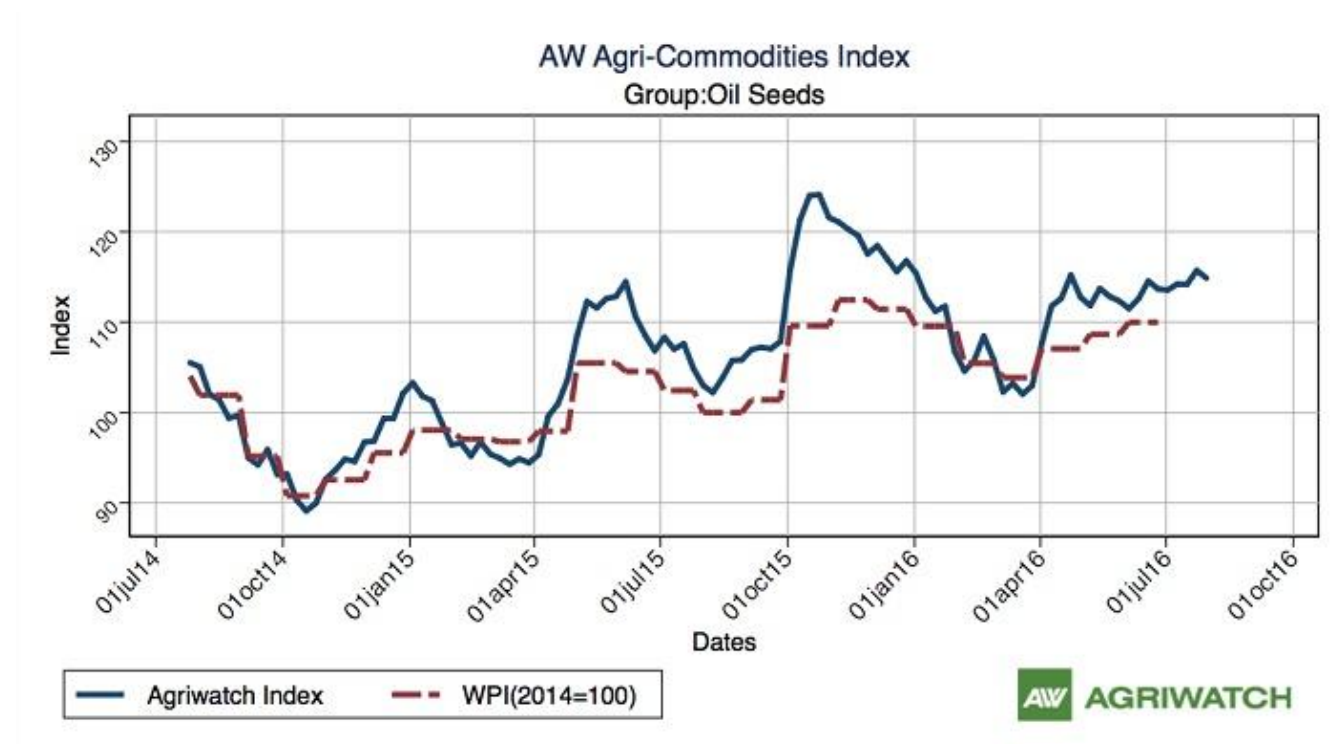
Outlook – Soy meal: The meal prices edged-up on increase in domestic enquiries. However, expectation of good soybean crop owing to likelihood of better distribution of seasonal rainfall in the key soybean domestic regions and weak soy meal exports has pressured the soy meal market. Indian meal exporters 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 including Japan in the upcoming season. 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 33,200 – 33,700/MT levels during the week.

Outlook - Rapeseed-Mustard (Spot, Jaipur basis): Slack in seed buying remained bearish for the seed for short-term. However, medium-to-long term sentiments are expected to be strong on likely strong miller's buying to meet the fresh mustard oil demand during monsoon and upcoming festivities. The seed prices are likely to be between 5080 – 5130; levels during the week.

AW Oilseeds Index – 31 July 2016

The Agriwatch Agri Commodities Index dipped 0.64% to 120.70 during the week ended July 30, 2016 from 121.47 during the previous week, led by easing in prices of pulses, cereals and cotton. The base for the Index and all sub-Indices is 2014 (= 100).

In the commodity group sub-index, Oilseeds Index stood at 114.87 (-0.73%) week-on-week.



"Agriwatch has recently launched its AW Agri Commodity Indices to enable organizations access independent Indices to track and use to benchmark their purchases and sales. The Indices are based on the daily prices in the key benchmark markets for each commodity that AW has been covering for the past decade. The indices include an Aggregate Index, Category Indices and individual commodity indices. The weekly indices are free to access on our website www.agriwatch.com. The daily indices are available on subscription. Please contact for more details."

International Highlights

- ❖ The newly planted US soybean is blooming at 76% which is up from 67% during the corresponding period last year and also up from 5 year average of 66%. About 35% soybean is setting pod which is up from 29% during the corresponding period last year and also up from 5 year average of 26%.
- ❖ Also about 71% of the newly planted US soybean crop is under good to excellent conditions which is up from 62% during the same period last year, reported in the US crop progress report dated 24 July 2016.
- ❖ In the June USDA acreage report, US soybean planted area for 2016 is estimated at a record high 83.7 million acres, up 1 percent from last year. Area for harvest, at 83.0 million acres, is also up 1 percent from 2015 and will be a record high if realized. Record high planted acreage is estimated in Michigan, Minnesota, New York, North Dakota, Ohio, Pennsylvania, and Wisconsin.
- ❖ The Argentina's government has raised its 2015/16 soybean crop to 58 million tonnes from its previous forecast of 57.6 million tonnes followed by faster than expected recovery of area considered lost to floods hit the area in Argentina.
- ❖ Rosario Gains Exchange have revised its forecast for Argentina's 2015/16 soybeans up to 55.3 million tonnes from 55 million tonnes previously. This is despite severe crop damage after flood in April.
- ❖ Argentina has lost around 3.7 – 4.0 million tonnes of soybean due to flood and storm in April. Besides, an additional 1 million tonnes have been reported in quality damage, reported a concerned government official. In the official figure Argentina's soybean production is estimated to decline to 57.6 million tonnes from 61.4 million tonnes.
- ❖ INTL FC Stone has slashed the Brazil's 2015-16 production by 1 million tonnes to 96.5 million tonnes, in its recent. Besides, Informa has lowered the Brazil's and Argentina's 2015/16 soybean production from 100.5 vs 100.1 mln t and 55.0 vs 59.5 mln t respectively.
- ❖ Abiove has trimmed Brazil's 2015/16 soybean crop to 96.6 million tonnes (during Feb. – Jan.) from 97.3 million projected earlier. It has lowered Brazil's soybean exports estimate to 53 million tonnes from 53.8 million tonnes Brazil had shipped 54.3 million tonnes in previous season.

- ❖ Informa Economics has lowered its forecast for US 2016 soybean planting to 84.0 million acres from its previous estimate of 85.23 million acres. However, the area is higher compared to 82.7 million acres planted in 2015.
- ❖ 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.
- ❖ Agroconsult has projected Brazil's 2016/17 area under soybean higher by 600,000 hectares. The consultant has projected Brazil's 2015/16 soybean production at 101.7 million tonnes in its final estimate.
- ❖ Conab, the Brazil government's crop supply agency, has raised Brazil's 2015/16 soybean crop to a record 101.18 million tonnes, which is up from 100.93 million tonnes from its previous estimate in February followed by increase in planted area and yields.
- ❖ FCStone has increased Brazil's 2015/16 soybean production forecast to 98.6 million tonnes from 98 million tonnes in its previous estimates.
- ❖ Again, Informa has raised its forecast for Brazil's 2015/16 soybean production in its monthly report to 101.3 million tonnes from 100.5 million tonnes last month.
- ❖ However, it has lowered Argentina's 2015/16 soybean production forecast to 59.0 million tonnes from 60.0 million tonnes in February.
- ❖ Brazil's Congress has passed a bill that will increase the country's biodiesel blend from its current 7% to 10% over the next three years.
- ❖ AgRural has increased its forecast for Brazil's 2015/16 soybean to 99.7 million tonnes from 98.7 million after beneficial rains.
- ❖ Rosario Grains Exchange has raised Argentina's 2015/16 soybean production forecast to 59 million tonnes from 58.5 million tonnes in its earlier estimates. The increase is due to the higher than expected yield in the major growing belts.
- ❖ CRF reported that Argentina's soybean production is nearing last year's record of around 61 million tonnes. It also projected Paraguay 2015/16 soybean production at record 9.7 million tonnes which is above USDA's estimate of 8.8 million tonnes.

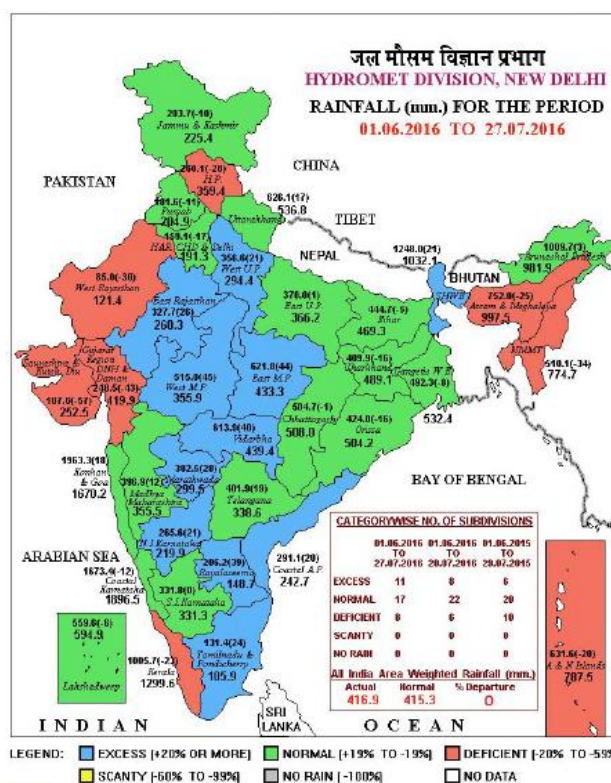
- ❖ However, according to the estimates by the government agency, Argentina's 2015/16 soybean production is estimated near 60 MMT which is below last year production of 61.4 MMT.
- ❖ China is forecast to import 85 million tonnes of soybeans in 2016/17, up from the prior season, however, higher inventories is expected to limit the rise in buying.
- ❖ China National Grain and Oils Information Center (CNGOIC), said in the IGC grain conference that the country's soybean imports were expected to reach 82 million tonnes in the 2015/16 year on an October-September season compared to 78.35 million tonnes during the same period in 2014/15.
- ❖ Global palm oil production will fall by almost 3.00 million tons in September 2016. Indonesia's palm oil output estimate is cut by 1.2 million tons. Malaysia's palm oil production estimate is cut by 1.5 million tons to 18.4 million tons. Consumers will get relief from July 2016. Palm oil stock buildup will possibly start from September 2016.

IMD Monsoon Forecast and Current Rainfall Status

In the IMD's Operational 2nd stage Long Range forecast for the 2016:

- Rainfall over the country as a whole for the 2016 southwest monsoon season (June to September) is most likely to be **above normal** (>104% to 110% of long period average (LPA)).
- Quantitatively, monsoon season rainfall for the country as a whole is likely to be 106% of the long period average with a model error of $\pm 4\%$.
- Region wise, the season rainfall is likely to be 108% of LPA over North-West India, 113% of LPA over Central India, 113% of LPA over South Peninsula and 94% of LPA over North-East India all with a model error of $\pm 8\%$.
- The monthly rainfall over the country as whole is likely to be 107% of its LPA during July and 104% of LPA during August both with a model error of $\pm 9\%$.

The event should boost the yield and subsequently production this season, as the *kharif* oilseeds are rain-fed.



Soybean

The domestic soybean witnessed mild gains extending previous week's recovery on domestic soy meal enquiries and expected fall in the acreage under soybean by the market participants.

The crop health of the newly planted soybean is under development stage and in good condition across the key growing regions. The growth or the plant size varies from 12 cm to 1 feet, pockets with plants with smaller size indicate replanting after heavy rains damaged the

The weather is favourable for the crop development in Madhya Pradesh, Maharashtra and Rajasthan, key cultivating regions.

Scattered to heavy rains are reported in the key soybean growing belts and there are no fresh reports of crop damage, disease to the developing crop.

The overall rainfall over Madhya Pradesh, Maharashtra and Rajasthan is still reported higher than normal rains.

IMD in its weekly Southwest monsoon progress report has reported India's actual rainfall at 416.9 mm against the normal 415.3 mm and departure stands at 0% till 27 July 2016.

In West Madhya Pradesh, the departure of Southwest monsoon has improved to normal by +45%, actual rains is reported at 515 mm vs 355.9 mm normal till 27 July 2016 by IMD. Vidarbha reported the departure of +40%, actual rains 613.9 mm vs 439.4 mm normal. Marathwada reported the departure of +28% with actual rains of 382.5 mm vs 299.5 mm, East Rajasthan reported a departure of +26% with actual rains 327.7 mm vs 260.3 mm normal.

Better seasonal/monsoon rains this season is expected to boost the soybean production.

The area coverage under soybean, as on 27th July, is reported up 3% at 109.16 lakh hectares which has surpassed the previous year's figure of 106.27 lakh hectares at the same period last year.

Crop	As on 29 Jul 2016	As on 29 Jul 2015	% Chg.
Groundnut	38.57	28.70	34.4
Soybean	109.16	106.27	2.7
Sunflower	1.28	0.56	128.6
Sesamum	9.42	10.90	-13.6
Others	1.35	1.55	-12.9
Total Oilseeds	159.78	147.98	8.0

The total sown area under *kharif* oilseeds, as on 27th July, has surpassed the previous year's level which is up by 8% at 159.78 lakh hectares compared to 147.98 lakh hectares during the corresponding period last year.

India's total area under soybean in 2015 was 116.4 lakh hectares which was higher by 5.8% from 2014.

We expect India's area under soybean in 2016 to be near 2015 level at 116 lha.

The major buyers in Madhya Pradesh are as follows: Amrit Mandsaur, Ambika Joara, ABIS Rajnandgaon, Laxmi Solvex, Sanwariya – Itarasi, SSA Mandideep, Bansal, Khandwa Oil, Ruchi, Agrawal Neemuch, Betul Oil, Prakash, Bajrang, Prestige, Ambuja, Prakash, Sitashri, Divya Jyoti, Avi 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 gradually move up on likely fall in the area and expected better soy meal export sale in the new season. However, likely higher soybean production on good seasonal rainfall this season, current lower soy meal exports, higher edible oil inventory after huge imports in previous months, lower crude and bearish domestic fundamentals will limit the gains in near-term.

International:

The international soybean edged-up on short-covering attributed to the weekly export sales data indicating rising shipment of US soybean.

However, fall in crude which is around US \$ 42/bbl limited the gains in the international soybean.

The US soybean crop is under development phase and it is under better conditions. The CBOT soybean is mainly reacting on crop weather forecast which remained changing in previous days.

In the US weekly export sales report, the net sales of soybean were reported noticeable down at 1,400 tons, compared to previous week and from the prior 4 week average.

Increases were reported for China who bought about 226,300 MT including 198,000 MT switched from unknown destinations during the week, registering the reduction in imports week-on-week.

Further, the newly planted US soybean is blooming at 76% which is up from 67% during the corresponding period last year and also up from 5 year average of 66%. About 35% of the crop is setting pod which is up from 29% during the corresponding period last year and also up from 5 year average of 26%.

Also about 71% of the newly planted US soybean crop is under good to excellent conditions which is up from 62% during the same period last year, reported in the US crop progress report dated 24 July 2016.

USDA has reported that US has exported around 45.56 million tonnes of soybean since 1 September 2015 against the projected target of 48.85 million tonnes.

US soybean exports were initially slow in 2015/16 marketing year, but the exports improved in the second half of the marketing season.

Less than 30 days have left in the current US marketing season and the US exports sales have to gain further momentum to achieve the target.

Informa Economics has forecast U.S. 2016 soybean production at 3.89 billion bushels with a yield of 46.9 bushels per acre.

FCStone has pegged Brazil's soybean exports lower by 2.4% at 53 million tonnes in 2015/16 compared to 54.32 million tonnes in 2014/15. The fall cited due to the surge in the local prices has consequently reduced the competitiveness in the international market.

Brazil has shipped about 7.76 million tonnes of soybean in June down from 9.92 million tonnes in May and 9.81 million tonnes during the corresponding period last year.

Informa Economics has slashed Brazil's 2015/16 soybean crop to 98.5 million tonnes from 100.1 million tonnes in May.

Conab has slashed Brazil's 2015/16 soybean crop estimate to 95.57 million tonne from 95.6 million tonnes previously estimated. It has cut the production estimates due to crop damage on hot and dry weather in Northeastern part of the country.

Abiove has trimmed Brazil's 2015/16 soybean crop to 96.6 million tonnes (during Feb. – Jan.) from 97.3 million projected earlier. It has lowered Brazil's soybean exports estimate to 53 million tonnes from 53.8 million tonnes Brazil had shipped 54.3 million tonnes in previous season.

Argentina's Agriculture Ministry has once again raised the country's 2015/16 soybean production estimate in July to 58.8 million tonnes from 58 million tonnes forecasted earlier.

The increase is cited due to the lower than expected crop damage due to flood. Argentina's soy oil and soy meal shipments are hit due to storm and flooding in the key farm regions, which consequently lead to the boost in US soy exports.

Argentina has shipped 31.2 million tonnes of soybean from March thru July 2016 compared to 36.5 million during the corresponding period in 2015, as reported by the agriculture ministry. It also reported that about 4.02 million tonnes of soybean were processed in June 2015 which is down by 11% compared to corresponding period last year.

Informa has kept its forecast of Argentina's 2015/16 soybean crop unchanged at 55.0 million tonnes

Rosario Gains Exchange have revised its Argentina's forecast for 2015/16 soybeans up to 55.3 million tonnes from 55 million tonnes previously. This is despite severe crop damage after flood in April.

Argentina's soybean crop estimates are lowered between 52 million tonnes and 57 million tonnes from about 60 million by several analysts. This is after Argentina lost around 3.7 – 4.0 million tonnes of soybean due to flood and storm in April and addition 1 million tonne reported in quality damage.

The Buenos Aires Grains Exchange has reduced its harvest forecast and pegged Argentina's 2015/16 soybean production at 56 million tonnes.

China is forecast to import 85 million tonnes of soybeans in 2016/17, up from the previous season, however, higher inventories is expected to limit the rise in buying.

China National Grain and Oils Information Center (CNGOIC), said in the IGC grain conference that the country's soybean imports were expected to reach 82 million tonnes in the 2015/16 year on an October-September season compared to 78.35 million tonnes during the same period in 2014/15.

China's June soybean imports are reportedly down by 1.3% at 7.56 million tonnes compared to 7.66 million tonnes in May 2016 and were down 6.6% on the same month a year ago reported the General Administration of Customs of China.

However, the country's June vegetable oil imports are reported up 10.7% at 310,000 MT compared to May 2016.

Strong global soybean demand and fall in the South American supplies will boost the US soybean exports in Sep/Feb. 2016/17.

The international soybean prices are expected to feature range bound movement with firm bias on expected new crop orders from the major buyers. However, likely record US soybean crop, fall in crude will limit the gains. Besides, expected higher soybean crop on better monsoon this season in India, higher inventories of edible oils at Indian ports, poor soy meal shipments from India will limit the gains in the domestic soybean in near-term.

Soy meal

The domestic soy meal featured mild gains in sync with soybean on improved domestic enquiries during the period under review.

However, the market remains dull on weak export sales and there are no fresh activities in the market at buying front.

There is a good domestic demand for meal from poultry industry and feed manufacturers. However, export enquiries continued to be weak.

India's soy meal exports are expected to improve in the new season on expectation of better 2016/17 soybean crop production.

Further, soy meal edged-up in the in the international market too with investors short-covering followed by improving export demand for US soybean.

The August CBOT soy meal settled at US \$ 350 per short ton which ended at US \$ 346.7 per short ton previous week.

The domestic soy meal prices at Indore, remained flat between the price band of 33,000 – 33,500 from previous week.

India's soy meal shipments continued to be weak and it is multi-year low, primarily on India's noncompetitive prices compared to the South American meal.

At Latur and Sangli, Maharashtra, soy meal was quoted at Rs 34,500/MT and Rs 36,000/MT respectively compared to Rs 33,200/MT in Indore and Rs 32,800/MT in Kota on last Saturday. 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 soy meal shipment during June 2016 stood at 17,934 tons compared to 16,647 tons in June 2015 showing a marginal increase of 7.73% over the same period of last year.

On a financial year basis, the export during April'2016 to June'2016 is 40,634 tons compared to 1,06,209 tons in the corresponding period of previous year showing a decrease of 61.74%.

During current Oil year, (October – September), total exports during October 2015 to June, 2016 is 2,26,404 tons as against 6,55,837 tons last year, showing a decrease by 65.47%.

Indonesia, Japan, South Korea, Nepal and Myanmar remained the top buyers of soy meal of Indian origin in May.

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

Brazil has exported about 1.57 million tonnes of soy meal in June against 1.93 million tonnes and 1.62 million tonnes during the same period last year. The figure reveals slow export pace due rains and disruptions at port.

USDA in their June report has rectified US soy meal stock figure of May to 343,411 tonnes which is down from 365,653 tonnes in April.

In its June report, NOPA has reported that US soy meal exports declined to 682,500 tons in May from 769,035 tons in April, but stood significantly up from 551,146 tons recorded in May 2015.

Oil world expects world production of soy meal to rise by about 6% to a record 163.8 Mn T in Jan/Sept 2016, allowing exports to improve by 3.2 Mn T or 7% under the lead of Argentina.

Indian meal prices have to be highly competitive against the South American and China's meal prices to regain the lost markets it lost in previous seasons.

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.

India's Y-o-Y soy meal prices, Indore, are higher. Soy meal Indore was quoted lower between Rs 33,000 – 33,500/MT during the week compared to Rs 30,000 – 30,500/MT during the corresponding period last year.

The soy meal prices are looking for a clear direction and will feature range-bound movement, in near-term.

Technical Analysis:

NCDEX Soybean Futures



Soybean Spot, Indore



*Note: Daily Chart

Support & Resistance NCDEX Soybean – Oct. contract

S1	S2	PCP	R1	R2
3431	3350	3557	3750	3844

- Soybean continued downtrend on selling pressure in the market, during the week.
- Prices closed below 18-day EMA.
- RSI and stochastic are falling in the neutral region.
- MACD is falling in the negative territory.
- The prices are expected to feature losses in the coming week.
- Trade Recommendation (NCDEX Soybean – Oct.) Week: **SELL** Below 3650. Levels: T1 – 3550; T2- 3500, SL - 3710.

Rapeseed - Mustard Seed

The domestic rapeseed-mustard witnessed mild losses after it rallied for over 8 weeks. The fall is attributed to the overbought conditions and the prices will once again head north after a small correction.

We expect good buying support in the seed from millers to meet upcoming festive mustard oil demand and improved demand in the same during monsoon in near-term..

However, BMD CPO extended gains which further limited the losses in the domestic rapeseed-mustard during the period in review.

BMD CPO (Malaysian palm oil) and edible oil imports determine domestic rapeseed-mustard prices.

Despite losses during the week, the seed prices at bench mark, Jaipur are stronger by 14% and are ruling around Rs. 5070 – 5075 per quintal compared to Rs. 4455 – 4555 per quintal during the corresponding period last year.

The all India daily arrivals of the seed continued to ease and reported between 0.80 – 0.95 lakh bags compared to around 1.35 – 1.40 lakh bags during the corresponding period last month and 0.50 – 0.60 lakh bags during the corresponding period last year.

India's edible oil imports and inventories at ports are unchanged with consecutive second month fall in the edible oil imports especially the CPO.

India's June edible oil imports rose 14.3 percent y-o-y to 11.59 lakh tons from 10.13 lakh tons in June 2015. Palm oil imports fell 17.3 percent y-o-y to 6.07 lakh tons y-o-y from 7.34 lakh tons in June 2015. CPO Imports fell by 27.3 percent y-o-y to 4.16 lakh tons from 5.71 lakh tons in June 2015. RBD palmolein imports rose by 28.4 percent y-o-y to 1.9 lakh tons from 1.48 lakh tons in June 2015.

Soy oil imports rose 150 percent y-o-y to 3.86 lakh tons from 1.54 lakh tons in June 2015. Sunflower oil imports rose by 40 percent y-o-y to 1.47 lakh tons from 1.05 lakh ton in June 2015. Rapeseed (Canola) oil imports fell by 10 percent y-o-y to 0.18 lakh tons from 0.20 lakh tons in June 2015, reported by Solvent Extractor's Association of India.

India's June edible oil stocks at ports and pipelines was almost unchanged m-o-m at 23.2 lakh tons from 23.3 lakh tons in May 2016. Stocks of edible oil at ports were at 878,000 tons (CPO 280,000 tons, RBD Palmolein 180,000 tons, Degummed Soybean Oil 300,000 tons, Crude Sunflower Oil 105,000 tons and 13,000 tons of Rapeseed (Canola) Oil) and about 1,442,000 tons in pipelines.

India is presently holding 42 days of edible oil requirement on 1st July, 2016 at 23.2 lakh tons unchanged from last month. India's monthly edible oil requirement is 16.5 lakh tons per month, reported by Solvent Extractor's Association of India.

Malaysia has lowered August crude palm oil export duty to 5 percent from 6 percent in July. Tax is calculated at reference prices of 2,522.36 ringgit (\$639.38) per ton starting at 4.5 percent to a maximum of 8.5 percent above price of 2,250 ringgit.

Malaysia's June palm oil end stocks rose by 7.66 percent to 17.76 lakh tons compared to 16.50 lakh tons in May. Production rose by 12.31 percent to 15.33 lakh tons compared to 13.65 lakh tons in May. Exports fell by 11.71 percent to 11.32 lakh ton compared to 12.82 lakh tons in May. Imports fell by 1.9 percent to 0.196 lakh tons compared to 0.20 lakh tons in May, said Malaysian Palm Oil Board (MPOB).

Malaysia's July 1-25 palm oil exports rose 15 percent to 1,013,704 tons compared to 881,263 tons in corresponding period last month. Top buyers were European Union at 217,388 tons (146,701 tons), China at 184,756 tons (99,675 tons), India at 168,330 tons (138,605 tons), United States at 69,050 tons (32,860 tons) and Pakistan at 30,000 tons (50,000 tons). Values in brackets are figures corresponding period last month, reported by the cargo surveyor Societe Generale de Surveillance (SGS).

Indonesia's has not charge export duty on export of crude palm oil (CPO) for July compared to \$3/ton duty above reference prices of \$750/ton for June. Noncompetitive exports of palm oil from Indonesia compared to Malaysia's palm products have led to this step, said Indonesia's trade ministry.

Outlook: The rapeseed-mustard will rebound after some correction on fresh demand in mustard oil during monsoon and upcoming festivities.

Technical Analysis:

NCDEX RM Seed Futures



*Note: Daily Chart

RM Seed Spot, Jaipur



Support & Resistance NCDEX RM Seed – Aug. contract

S1	S2	PCP	R1	R2
4698	4611	4806	5038	5100

- RM seed fell on selling pressure during the week.
- Prices closed below 18-day EMA.
- RSI and stochastic are falling in neutral zone.
- MACD is falling in negative territory.
- The prices are expected to feature losses during the week.
- Trade Recommendation (NCDEX Rapeseed-Mustard – Aug.) Week: **SELL** Below 4900. Levels: Target – 4800; T2- 4750, SL - 4960.

Annexure

Oilseed Prices at Key Spot Markets:

Commodity / Centre	Prices (Rs/Qtl)				Change
Soybean	29-Jul-16		22-Jul-16		
	Low	High	Low	High	
Indore –Plant	3700	3790	3725	3810	-20
Indore–Mandi	3475	3660	3525	3750	-90
Nagpur-Plant	3810	3850	3750	3800	50
Nagpur – Mandi	3200	3600	Closed	Closed	-
Latur – Mandi	3370	3618	Closed	Closed	-
Kota-Plant	3400	3650	3600	3750	-100
Kota – Mandi	3300	3650	3560	3700	-50
Bundi-Plant	3600	3625	3450	3625	Unch
Bundi-Mandi	3580	3600	3500	3600	Unch
Baran-Plant	3500	3650	3680	3700	-50
Baran-Mandi	3400	3625	3550	3660	-35
Bhawani Mandi Jhalawar–Kota-Plant Delivery	3580	3600	3620	3770	-170
Jhalwar-Mandi	3500	3600	3650	3750	-150
Rapeseed/Mustard					
Jaipur-(Condition)	5070	5075	5145	5150	-75
Alwar-(Condition)	4750	4800	4800	4900	-100
SriGanganagar-(Non-Condition-Unpaid)	4250	4350	4500	4600	-250
New Delhi–(Condition)(New Crop)	4780	4825	4975	4980	-155
Kota-Non-(Condition)	4300	4500	4350	4700	-200
Agra-(Condition)	5200	5225	5200	5325	-100
Neewai	4650	4700	4800	4830	-130
Hapur (UP)(New Crop)	4725	4750	4825	4850	-100
Groundnut Seed					
Rajkot	1350	1350	1300	1300	50
Sunflower Seed					
Gulbarga	3055	3354	3250	3400	-46
Latur	NA	NA	Closed	Closed	-
Sholapur(New Crop)	3650	3700	3725	3750	-50
Sesame Seed					
Mumbai (White98/2/1	7600	7600	7050	7050	550

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
		23rd July to 29th July 2016	16th July to 22nd July 2016	
Soybean				
	Madhya Pradesh	146000	200000	-54000
	Maharashtra	100000	90000	10000
	Rajasthan	57000	62000	-5000
	Bundi (Raj)	255	185	70
	Baran (Raj)	5300	7100	-1800
	Jhalawar (Raj)	2300	3700	-1400
Rapeseed/Mustard	Rajasthan	255000	250000	5000

MSP for 2016/17 Kharif Oilseeds

The Cabinet Committee on Economic Affairs, chaired by the Prime Minister Shri Narendra Modi, has given its approval for Minimum Support Prices (MSPs) for Kharif Crops of 2016-17 season, the MSPs of all the Kharif oilseeds are raised for this season.

The MSP of Yellow Soybean is increased by 6.7% to Rs 2775/Qtl (including Rs 100 bonus) for 2016-17 season from Rs 2600/Qtl in 2015-16, Groundnut -in- shell by 4.7% to Rs 4220/Qtl (including Rs 100 bonus) from Rs 4030/Qtl, Sunflower seed by 3.9% to Rs 3950/Qtl (including Rs 200 bonus) from Rs 3800/Qtl, Nigerseed by 4.8% to 3825/Qtl (including Rs 100 bonus) from Rs 3650/Qtl and Sesamum by 6.4% to Rs 5000/Qtl (including Rs 200 bonus) from Rs 4700/Qtl.

MSP for 2015/16 Rabi Oilseeds

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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