

Oilseeds Weekly Research Report

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Executive Summary

Soybean and meal continued to be flat on steady demand while rapeseed-mustard fell primarily on supply pressure in the seed and stiff soy price competition with South America and US.

Besides, appreciation of INR against US dollar continued to remain pressurizing factor during the week in review.

This lead to slack in demand in bean from solvent extractors, as the strength in currency has rendered India's soy meal prices slightly noncompetitive.

Currently, India's soy meal exports have recovered and are higher compared to the corresponding period last year.

Competitive exports prices in meal continued to remain attractive for the foreign buyers. But continued appreciation of Indian Rupee against US dollar will hurt the competitiveness of soy meal export prices - Indian origin.

Rapeseed-mustard supplies are strong and it is continuously pressuring the seed market.

The rapeseed-mustard prices will remain under pressure they are expected to remain around current levels for some more time. Also, soybean and meal will continue to reel under supply pressure in near to medium-term.

Outlook – Cash Market

Outlook - Soybean (Spot, Indore): The soybean prices are expected feature range-bound movement with weak bias, on appreciation of INR against US dollar, which may hit India's soy meal exports. Besides, higher domestic soybean production this season, record global soybean supply outlook continued to be pressurizing factor for the domestic soybean. The prices are expected to feature range bound movement between the price band of 2900 – 3,100 level (Indore, Plant basis).

Outlook – Soy meal: Soy meal prices are likely to witness range-bound movement with weak bias on appreciation in INR against USD which will render noncompetitiveness of India's meal exports in the international market. Besides higher domestic soybean production will continue to be a pressurizing factor for the domestic soy meal. 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 remain under supply pressure and feature range bound movement in near-term. Soy meal, Indore is expected to be in the range of 24,000 – 24,600/MT levels during the week.

Outlook - Rapeseed-Mustard (Spot, Jaipur basis): The rapeseed-mustard is expected remain under pressure but good buying support by the solvent extractors will limit the losses. Further, higher seed production after increase in the area under rapeseed this season, will limit the gains. The seed prices are likely to feature weakness and witness the levels between 3900 – 4000/Qtl; levels during the week.

International Highlights

- ❖ Brazil's 2016/17 soybean crop production is estimated up at 107.3 million tonnes compared to 104.6 million tonnes projected in February by Abiove.
- ❖ Brazil's 2017 soy shipments are projected at 59.8 million tonnes up from 58.7 million tonnes estimated in February.
- ❖ The Ministry of Agroindustry has slightly slashed Argentina's 2016/17 soybean area to 19.42 million hectares from 19.45 million projected in the previous estimated.
- ❖ The Buenos Aires Grains Exchange has projected Argentina's 2016/17 soybean production at 56.5 million tonnes which is up from its previous forecast of 54.8 million.
- ❖ Paraguay's 2016/17 soybean crop is projected more than 10 million tonnes, said the Agriculture Minister Juan Carlos Baruja. Paraguay is world's No.4 soybean exporter.
- ❖ Allendale has projected US 2017 soybean seeding up to 88.825 million acres from 83.433 million in 2016. The diversion is from corn acreage which is estimated lower to 90.018 million acres in 2017 from 94.004 million in 2016. The agency has also reduced the wheat planting area.
- ❖ If realized, Allendale's forecast for US soybean acreage would be highest on record.
- ❖ Informa too has raised the US 2017 soybean planting projection to 88.7 million acres from 88.647 million acres estimated in January.
- ❖ The agency has projected the US 2017/18 soybean production at 4.22 billion bushels with an average yield of 48.0 bushels per acre.
- ❖ Rosario Stock Exchange has raised its Argentina's 2016/17 soybean production estimate at record 56 million tonnes up from 54.5 million tonnes projected in January.
- ❖ USDA in its monthly demand and supply report projected Brazil's 2016/17 soybean production to a record 108 million tonnes up from 104 million estimated in its February report.
- ❖ Conab has once again raised Brazil's 2016/17 soybean crop production estimate 107.6 million tonnes which is up 2 million tonnes from its previous estimate in February 2017.
- ❖ The agency has projected Brazil's 2016/17 soybean exports at 59 million tonnes compared to 51.5 million tonnes in previous estimates.

- ❖ INTL FCStone have raised Brazil's 2016/17 soybean crop production estimate by 5 million tonnes to 109.7 million tonnes from its previous estimate and about 15 million tonnes from its previous season's estimate.
- ❖ The raise is attributed to higher yield potential on favourable weather.
- ❖ Brazil's 2016/17 soybean production is projected at 109.65 million tonnes compared to 105.02 million tonnes in February by Celeres.
- ❖ Besides, FC Stone has also increased the Brazil's 2016/17 soybean production estimate at 109.07 million tonnes, up by 15 million compared to the previous season. Record output yield potential this season is attributed to the rise in the production estimate.
- ❖ China, the world's largest soybean buyer, is now expected to import 87 million tonnes this year, up from the 86 million that USDA issued last month. This is an all-time high for the country, which imported 83.23 million tonnes of soybeans last year.
- ❖ USDA has projected China's 2016/17 soybean imports to 87 million tonnes in the monthly demand and supply report which is up from 86 million estimated in February report.
- ❖ The import volume is all-time high for China which imported 83.23 million tonnes in 2015/16.
- ❖ Chinese agribusiness group New Hope and Cargill are jointly installing soybean crushing unit in the China's Hebei province with a daily crush capacity of 50,000 tonnes.
- ❖ Brazil's 2016/17 soybean crop production is forecast at 105 million tonnes which is up from 95.4 million tonnes estimated in 2015/16 by Oil World.
- ❖ Brazil is expected to export around 52.3 million tonnes during February/August 2017 against 47.8 million tonnes in the corresponding period last year.
- ❖ Informa Economics has also raised its Brazil's 2016/17 soybean production estimate to 108 million tonnes from 106.5 million tonnes projected previously.
- ❖ Informa has projected Argentina's 2016/17 soybean crop at 55.0 million tonnes.
- ❖ US 2017 soybean seeding is seen up at 88 million acres compared to 83.4 million in 2016 while corn area is reduced to 90 million acres from 94 million in 2016, projected by USDA.

Sown Area – *Rabi* Oilseeds, India

In the official Rabi oilseeds planting report, by the Ministry of Agriculture, the total coverage area under Rabi oilseeds is reported at 84.35 lakh hectares, up 6.2% from 79.42 lakh ha in the corresponding period of last year. Of the major oilseeds, rapeseed-mustard sowing is reported up by 9.3% at 70.56 lha compared to 64.53 lha during the corresponding period of last year. Groundnut at 6.16 lha vs 5.96 lha, safflower at 0.95 lha vs 1.17 lha, sunflower at 1.69 lha vs 3.21 lha, sesamum 0.57 vs 0.71 and Linseed at 3.84 lha vs 2.93 lha during the same period last year.

Area in Lakh Hectares

Crop	2017	2016	% Change
Rapeseed/Mustard	70.56	64.53	9.3
Groundnut	6.16	5.96	3.4
Safflower	0.95	1.17	-18.8
Sunflower	1.69	3.21	-47.4
Sesamum	0.57	0.71	-19.7
Linseed	3.84	2.93	31.1
Others	0.58	0.91	-36.3
Total Oilseeds	84.35	79.42	6.2

Source: MoA, GOI

Soybean

The domestic soybean continued to remain flat on steady demand and appreciation of INR against US dollar during the week in review.

The strength in currency by more than 5% against USD has lead to noncompetitiveness in India's soy meal exports, which eventually remained bearish for the bean.

CACP has raised the recommendation of MSP for soybean to Rs 2,850 a quintal for the 2017-18 season, an increase of Rs 75. That for groundnut is recommended to be maintained at Rs 4,220 a quintal.

Higher domestic soybean production subsequently improved soy meal production outlook will continue to limit the gains in bean. Slack in domestic soy meal offtake due to weak poultry demand and cheap soy oil imports too remained limiting factor.

The bean supplies have fallen week-on-week. About 20,000 – 60,000 bags of soybean have arrived in the cash markets of Madhya Pradesh in a day against 12,000 – 55,000 bags during the corresponding period last year.

The crushers are still not eager to quote higher for the bean in a bid to keep the meal prices attractive for the foreign buyers and keep the exports window open for some more time.

Currently, the bean prices are around the levels where they were at the time of harvest in October.

The major buyers in Madhya Pradesh are as follows: Amrit Mandsaur, Ambika Joara, Agrawal Soy Dewas, Agrawal Neemuch, Adani, Agro Sol. Datia, Avi Agro, Bansal, Bajrang, Betul Oil, Dhanuka, Divya Jyoti, G. Ambuja, Itarsi, Indian Soya, Khandwa, Khyati, Kriti, K.P. Newari, Mahakali, M.S. Neemuch, Prakash, Oyster Exim, Prestige, Ruchi, Rama, RH Solvex, SSA Mandideep, Shanti Overseas, Sawariya Itarsi, Sitashri, Vippy (10-2-2 specification) for Dewas and Mandsaur delivery during the week.

Previous Update

Higher soybean supplies mean increase in crushing and eventually availability of more soy meal, which if not exported in time will lead to huge disparity in crushing.

India's domestic soy meal consumption is around 5 million tonnes and the production is expected to be 8 million tonnes, the surplus 3 million needs to be exported for the good crush market during the season.

The lower soy meal prices have increased the exports prospects which is expected to recover this season, after 3-years of weak soy meal exports of Indian origin. The oilseeds processors want the meal prices to be lower so that the soy meal exports window remains open for some more time, especially when India has produced higher soybean this season.

The soybean supplies continued to be higher not only in Madhya Pradesh but also in the key cash markets of Maharashtra and Rajasthan.

The domestic soybean prices are likely to feature range-bound movement with weak bias on strength in INR vs USD, weakness in international soybean, in near-to-medium-term.

International:

The benchmark CBOT soybean extended previous losses and tested below 8-month low, consecutive 5 weeks of decline, on bearish USDA soybean plantings forecast and record global supply scenario.

USDA has forecast that U.S. farmers would plant a record-high 89.5 million acres of soybeans in 2017 acres against 83.433 million planted in 2016.

If realized, this would be biggest to date, the average trade estimates stood at 88.2 million acres.

The CBOT soybean continued downtrend and the most active May contract witnessed the soybean prices at US \$ 9.42/bushel compared to US \$ 9.46/bushel last week.

Argentina's 2016/17 soybean harvesting has picked-up the pace last week despite heavy rains, storm and floods in the west of Argentina , said Buenos Aires Grains Exchange.

The agency said that the farmers had harvested 5.9% of the soybean planted area. It has estimated Argentina's 2016/17 soybean production at 56.5 million tones.

AgRural has raised Brazil's 2016/17 soybean production estimate to 11.6 million tones from 107 million tones in March, citing favourable weather conditions which boosted the productivity.

Besides, the agency said Brazilian soybean harvesting is 82% complete, of the planted area, which is up from 74% last week and 78% of the last five years.

Brazil's soybean exports stood at 9.7 million tonnes in March, highest on record for March, according to Anec with record soybean productivity in 2016/17 season.

Anec is expecting Brazil's 2017 soybean exports at 60 million tones.

Brazil's 2016/17 soybean sales have estimated to have reached 46% (51.07 Mn T) of the total projected production as of first week of April, which is up from 57% of the historical average and 61% in the corresponding period last year, said the Safras & Mercado.

The consultancy has projected Brazil's 2016/17 soybean production at 115.5 million tonnes.

EU soybean imports fell 8% by 04 April 2017 and registered imports of 9.7 million tonnes from 10.5 million tonnes during the corresponding period last season.

EU soy meal imports during Jul. – Jun. 2016/17 season stood at 13.2 million tonnes, down 16% from 15.7 million tonnes during the corresponding period last year.

Previous updates:

The USDA has reported U.S. soybean stocks as of March 1 at 1.735 billion bushels which is up 13% from the corresponding period last year and even above an average of trade expectations for 1.684 billion bushels.

USDA has projected US 2017 soybean plantings at record 89.5 million acres against 83.433 million planted in 2016.

If realized, this would be biggest to date, the average trade estimates stood at 88.2 million acres.

Brazil's 2016/17 soybean crop harvesting is 74% complete of the area planted, the figure is above 5 year average of 70% but below 76% harvested in the corresponding period last year, said AgRural.

Informa Economics has once again raised Brazil's 2016/17 soybean production estimate at 111.0 million tonnes from 108.0 million previously projected.

The agency has also raised Argentina's 2016/17 soybean crop at 57.5 million tonnes from 55.0 million estimated in the previous forecast.

Brazil's 2016/17 soybean production is raised by Agroconsult and projected at record 113.3 million tonnes compared to 111 million tonnes estimated in early March.

The agency projected Brazil's 2017 soybean exports at 2017 at 61.4 million tonnes compared to 61 million tonnes estimated early March.

Brazil's 2017 soybean exports are projected at 61.4 million tonnes which is up 9.8 million tonnes from 2016 by Oil World.

The exports figure by the agency is above 59.8 million tonnes projected by Abiove – Brazilian vegetable oil industry association.

Oil World has projected Brazil's 2016/17 soybean production at 108.5 million tonnes compared to 95.43 million tonnes estimated for last year.

The international soybean prices are expected to feature range bound movement on record global supply scenario.

Soy meals

The domestic soy meal prices remained almost flat in tandem with soybean during the week under review.

Further, appreciation of INR against USD, by more than 5% in 2017 will eventually pressure the domestic prices to keep them competitive in coming days.

Despite strength in INR against USD, India's soy meal exporters continued to keep the meal prices attractive for the foreign buyers, this is in a bid to keep the exports window open and compete with the South American meal prices.

India's soy meal exports once again registered gains, as expected, in March (y-o-y) by 579%.

The forward booking for meal is good on competitive price which remained supportive for domestic meal prices. But, the meal prices are lower compared to the same period last year.

India's soy meal exports have made commendable gains right from the beginning of new marketing season (Oct. – Sept.), the shipments remained weak for more than last three seasons.

Further, slack in domestic soy meal demand due to weak poultry offtake and higher supply outlook in meal this season remained limiting factor.

India's oilmeal exports in March edged up 42 percent from a year earlier to 150,773 tonnes as shipments of soy meal rose from the last year's upper base, a trade body said on Friday.

Soy meal fell in international market, during the week, the May CBOT soy meal settled at US \$ 307.4 per short ton compared to US \$ 318.2 per short ton last week.

India's soy meal shipments have significantly improved this season after sluggish exports in last 3 seasons.

Brazil's and Argentina's soybean crop harvesting is underway and the global bean supplies are up.

It remained supportive for India's soy meal exports. Argentina's soybean harvesting is expected to commence in a couple of weeks.

The domestic soy meal prices at Indore, were quoted at Rs 24,000 – 24,300/MT compared to Rs 23,500 – 24,000/MT compared to previous week.

At Latur and Nanded, Maharashtra, soy meal witnessed steady to weak tone and were quoted at Rs 24,800/MT and 24,300/MT respectively compared to Rs 24,300/MT in Indore and Rs 24,300/MT in Kota.

Previous Updates

India is expected to produce 8 million tonnes of soy meal this season. Out of which 5 million tonnes will be consumed domestically but another 3 million must be shipped overseas, failing which, the disparity on crushing soybean will increase.

India's forward booking for soy meal are better than the corresponding period last year, further sharp fall in the export prices in recent weeks in soy meal have made the imports from India lucrative.

The meal prices are unlikely to post sharp gains to keep the exports window open at least for the period when India's soybean crushing is at a higher pace for first 4 - 5 months (Oct-Feb) of the new marketing season.

Higher domestic soybean production in 2016/17 will eventually increase the soybean crushing which will further increase the availability in soy meal this season.

We expect India's soy meal exports to recover slightly in the new season with higher 2016/17 soybean production leading to higher crushing eventually increasing the meal supplies.

India's 2016/17 soy meal exports are expected to witness 3 year high and expected to jump 2 million tonnes from 2,61,051 exported last year, stated industry officials.

The exporters have contracted to ship around 500,000 tonnes soy meal for December-March delivery.

However, currently the domestic soy meal demand is sluggish due to weak demand from poultry owing to fall in poultry demand after demonetization.

India's soy meal and its other value added products (HS Code 2304) during March 2017 is 1,80,884 tons compared to 26,645 tons in March 2016 showing an increase of 578.85% over the same period of last year.

On a financial year basis, the export during April'2016 to March'2017 is 9,90,155 tons as compared to 3,87,298 tons in the same period of previous year showing an increase of 155.66%.

During current Oil year, (October – September), total exports during October 2016 to March 2017 is 9,14,423 tons as against 1,85,770 tons last year, showing an increase by 392.23%, as reported by SOPA.

Japan (33,779 Tonnes), Bangladesh (31,850Tonnes), France (28,695 Tonnes), Belgium (28,255 Tonnes) and Germany (25,050 Tonnes) remained the top buyers of the soy meal of Indian origin during the month of March 2017.

Recovery in exports is primarily due to drastic fall in the Indian soy meal prices making it price competitive to South America.

Indian meal prices need to be highly competitive against the South American and China's meal prices to regain the 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 currently lower. Soy meal Indore was quoted lower between Rs 23,500 – 24,000/MT during the week compared to Rs 33,200 – 34,000/MT during the corresponding period last year.

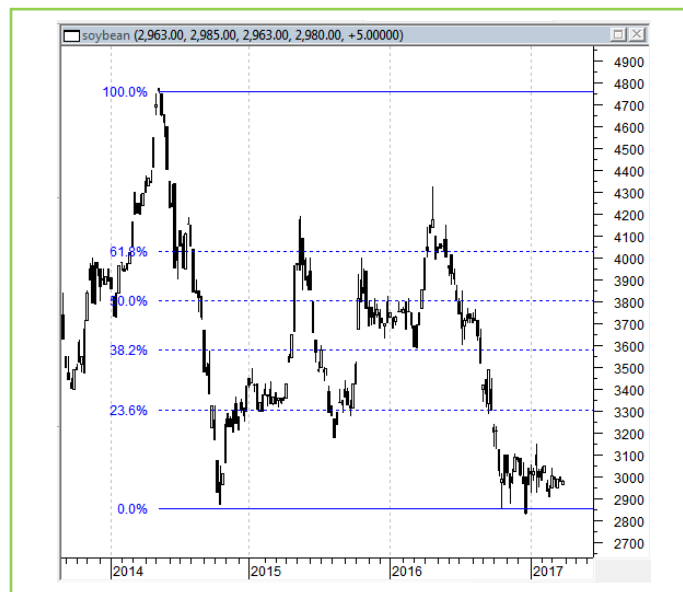
The soy meal prices are likely to feature range-bound movement with weak-bias on strength in INR against US dollar and higher domestic and international soybean production will limit the gains market, in near-term.

Technical Analysis:

NCDEX Soybean Futures



Soybean Spot, Indore



*Note: Daily Chart

Support & Resistance NCDEX Soybean – May contract

S1	S2	PCP	R1	R2
2850	2800	2927	3048	3138

- Soybean fell on selling pressure during the week.
- Prices closed below 18-day EMA.
- RSI and stochastic are rising in the neutral zone.
- MACD is rising in the negative territory.
- The prices are expected to feature losses in the coming week too.
- Trade Recommendation (NCDEX Soybean – May) Week: **SELL** Below 3025. Levels: T1 – 2925; T2- 2875, SL - 3085.

Rapeseed - Mustard Seed

The domestic rapeseed-mustard fell on new crop supply pressure during the week under review.

The seed arrivals are strong in the cash markets across the key producing states and they are close to its peak and the harvesting is nearing completion.

The all India seed supplies were reported between 3.45 – 6.55 lakh bags in a day compared to around 3.50 – 6.50 bags a day, previous week. The supplies were 5.0 – 7.0 lakh bags a day during the corresponding period last year.

The seed supplies could hamper in coming days with trader's diversion towards wheat trade, as the harvesting of wheat will pick up the pace in key growing belts in coming days.

The new crop seed is quoted at around Rs 3,955 – 4,025 a quintal compared to Rs 4,230 – 4,480 a quintal during the corresponding period last year at the benchmark, Jaipur.

At NCDEX futures, the May contract the seed prices fell to around 3,890/Qtl compared to 3,953/Qtl previous week.

The rapeseed-mustard cultivators are forced to sell the newly harvested seed below MSP in few market centers. The government has fixed the Minimum Support Price for rapeseed-mustard at Rs 3700/Qtl.

Higher 2016/17 seed production and eventually strong supplies in the physical market yards of the key producing states remained bearish for the market.

Agriwatch has projected India's 2016/17 rapeseed production at 7.0 million tonnes while Solvent Extractors of India has estimated the seed production at 7.2 million tonnes.

India's edible oil imports have once again improved which had fallen for few month, m-o-m in past, we expect India's March 2017 edible oil imports figure higher from March 2016.

India's February edible oil imports rose 15.9 percent y-o-y to 12.4 lakh tons from 10.66 lakh tons in February 2016. Palm oil imports rose 23.5 percent y-o-y to 7.35 lakh tons from 5.95 lakh tons in February 2016. CPO Imports rose 22 percent y-o-y to 4.98 lakh tons from 4.08 lakh tons in February 2016.

RBD palmolein imports rose 30.9 percent y-o-y to 2.33 lakh tons from 1.78 lakh tons in February 2016. Soy oil imports fell 31 percent y-o-y to 2.52 lakh tons from 3.66 lakh tons in February 2016. Sunflower oil imports rose 140 percent y-o-y to 2.09 lakh tons from 0.87 lakh ton in February 2016. Rapeseed (Canola) oil imports rose 118 percent y-o-y to 0.37 lakh tons from 0.17 lakh tons in February 2016, reported by Solvent Extractors Association (SEA).

India's February edible oil stocks at ports and pipelines rose 13.6 m-o-m to 19.65 lakh tons from 17.30 lakh tons in January 2017. Stocks of edible oil at ports rose to 775,000 tons (CPO 290,000 tons, RBD Palmolein 160,000 tons, Degummed Soybean Oil 180,000 tons, Crude Sunflower Oil 130,000 tons and 15,000 tons of Rapeseed

(Canola) Oil) and about 1,190,000 tons in pipelines. (Stocks in pipelines were at 1,088,000 tons in January 2017). India is presently holding 36 days of edible oil requirement on 1st March, 2017 at 19.65 lakh tons compared to 32 days of requirements last month. India's monthly edible oil requirement is 16.5 lakh tons.

Indonesia's February palm oil exports fell 7% to 2.53 MMT compared to 2.72 MMT in January 2017. Exports in rose 10.5 percent compared to February 2016 which was reported at 2.29 MMT, said Indonesia Palm Oil Association (GAPKI).

Malaysia's March palm oil exports rose 6.9 percent to 1,088,677 tons compared to 1,018,604 tons last month. Top buyers were European Union at 222,584 tons (195,090 tons), India at 170,020 tons (139,790 tons), China at 114,990 tons (143,560 tons), United States at 54,120 tons (70,030 tons) and Pakistan at 37,500 tons (24,000 tons). Values in brackets are figures of last month, reported cargo surveyor Societe Generale de Surveillance (SGS).

Indonesia has reduced April crude palm oil export duty to USD 3 per ton from USD 18 per ton in March. Reduction of export duty is due to fall in trigger prices, according to the trade ministry.

Malaysia's February palm oil end stocks fell 5.32 percent to 14.59 lakh tons compared to 15.41 lakh tons in January. Production dropped 1.43 percent in February to 12.59 lakh tons compared to 12.79 lakh tons in January. Exports in January fell 13.97 percent to 11.07 lakh tons compared to January exports at 12.86 lakh tons. Imports in February fell 43.66 percent to 0.40 lakh tons compared to 0.72 lakh tons in January, reported by Malaysian Palm Oil Board.

China's imports of edible vegetable oil in February fell 25.5 percent to 4.1 lakh tons compared to 5.5 lakh tons in January. Imports rose 2.5 percent compared to last year which was at 4 lakh tons. Year to date imports of edible vegetable oil rose 2.6 percent to 9.6 lakh tons, figures by China's General Administration of Customs (CNGOIC).

Previous Updates

India is expected to produce around 7.0 million tonnes of rapeseed-mustard in 2016/17 with an average yield of about 1000 kg/ha compared to 5.8 million in 2015/16.

According to Indonesia Palm Oil Association, Indonesia's 2017 crude palm oil production is estimated to rise 12.7 percent to 35.5 MMT compared to 31.1 MMT in 2016. Heavy rains in 2016 will support palm oil production and growth in plantation in 2013 will bear fruit in 2017.

Malaysia's palm oil production in 2017 is estimated to rise 12 percent to 19.4 MMT from 17.4 MMT in 2016. Exports of palm oil in 2017 from Malaysia will increase 11.2 percent to 17.85 MMT from 16.05 MMT in 2016. CPO prices are expected to remain firm in 2017, according to the board, said the Malaysia Palm Oil Board (MPOB).

Indonesia is expected to produce 32-33 MMT of palm oil in 2017 compared to estimated production of 28.5-30 MMT in 2016, higher by 16 percent y-o-y. Production in 2015 was 33 MMT. Wet condition in 2016 in Indonesia is primary reason for higher production in 2017. Exports are expected to grow to 23-25 MMT in 2017 compared to

23 MMT estimated in 2016. Palm oil prices rose in 2016 due to lower stocks of palm on El Nino, crude oil prices and biodiesel mandates in Indonesia and Malaysia, said Indonesia Palm Oil Association (GAPKI).

India's rapeseed-mustard is driven by Malaysian palm oil, India's edible oil imports and Chinese vegoil demand.

Outlook: The rapeseed-mustard is expected to remain under pressure in near-term on higher production and strong supplies in the cash market.

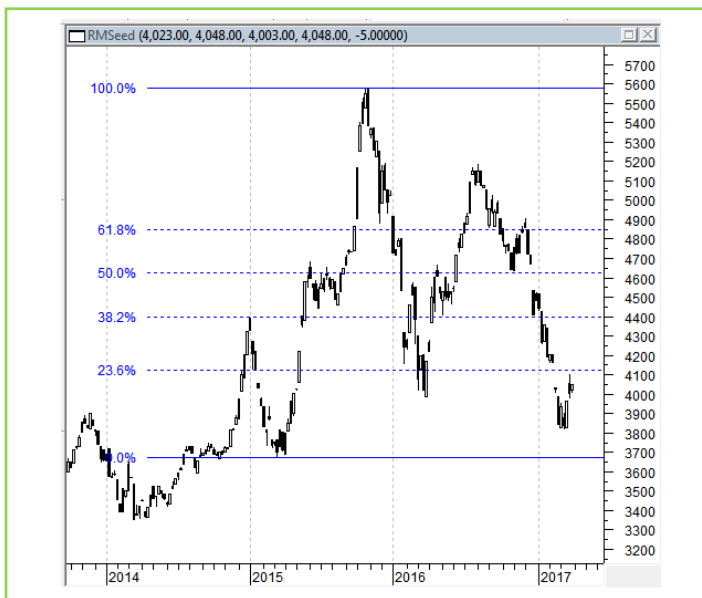
Technical Analysis:

NCDEX RM Seed Futures



*Note: Daily Chart

RM Seed Spot, Jaipur



Support & Resistance NCDEX RM Seed – May contract

S1	S2	PCP	R1	R2
3826	3770	3892	4043	4140

- RM seed fell on selling pressure during the week.
- Prices closed above 18-day EMA.
- RSI and stochastic are easing in the neutral zone.
- MACD is rising in negative territory.
- The prices are expected to feature losses during the week.
- Trade Recommendation (NCDEX Rapeseed-Mustard – May.) Week: **SELL** Below 3990. Levels: Target – 3890; T2- 3840, SL – 4050.

Annexure

Oilseed Prices at Key Spot Markets:

Commodity / Centre	Prices (Rs/Qtl)				Change
Soybean	7-Apr-17		31-Mar-17		
	Low	High	Low	High	
Indore –Plant	2950	3020	2950	3010	10
Indore–Mandi	2775	2920	2700	2900	20
Nagpur-Plant	2950	3020	2850	2900	120
Nagpur – Mandi	2500	2750	2500	2700	50
Latur – Mandi	2200	2880	2281	2790	90
Kota-Plant	2900	2950	2900	2950	Unch
Kota – Mandi	2900	2925	2800	2900	25
Bundi-Plant	2900	2950	2950	3000	-50
Bundi-Mandi	2900	2925	2900	2950	-25
Baran-Plant	2900	2950	2875	2925	25
Baran-Mandi	2700	2900	2750	2900	Unch
Bhawani Mandi Jhalawar–Kota-Plant Delivery	2900	2950	2900	2950	Unch
Jhalwar-Mandi	2800	2900	2850	2875	25
Rapeseed/Mustard					
Jaipur-(Condition)(New Crop)	3955	3960	4045	4050	-90
Alwar-(Condition)(New Crop)	3650	3700	3750	3800	-100
SriGanganagar-(Non-Condition-Unpaid)	3475	3500	3570	3600	-100
New Delhi–(Condition)(New Crop)	3700	3725	3800	3850	-125
Kota-Non-(Condition)(New Crop)	3450	3550	3450	3550	Unch
Agra-(Condition)(New Crop)	4000	4050	4075	4125	-75
Neewai(New Crop)	3510	3560	3470	3550	10
Hapur (UP)(New Crop)	3700	3725	3725	3750	-25
Groundnut Seed					
Rajkot	900	900	842	842	58
Sunflower Seed					
Gulbarga	2755	3055	2832	3026	29
Latur	NA	NA	NA	NA	-
Sholapur(New Crop)	NA	NA	NA	NA	-
Sesame Seed					
Mumbai (White98/2/1	7050	7050	6950	6950	100

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
		1st to 7th April 2017	25th to 31st March 2017	
Soybean				
	Madhya Pradesh	180000	172000	8000
	Maharashtra	86000	143000	-57000
	Rajasthan	77000	75000	2000
	Bundi (Raj)	550	1250	-700
	Baran (Raj)	5700	6100	-400
	Jhalawar (Raj)	4300	600	3700
Rapeseed/Mustard	Rajasthan	1440000	1375000	65000

India's Oilseeds Production Seen Record at 33.6 Mn T vs 25.3 Mn in 2nd Adv Est. - GOI

The 2nd Advance Estimates of production of oilseeds for 2016-17 have been released by the Department of Agriculture, Cooperation and Farmers Welfare on 15th February, 2017. The assessment of production of different crops is based on the feedback received from States and validated with information available from other sources.

The estimated production of major Oilseeds during 2016-17 is as under:

Oilseeds – 33.60 million tonnes (record) in 2016/17 vs 25.3 million tonnes in 2015/16

- Soyabean – 14.13 million tonnes vs 8.6 million tonnes in 2015/16
- Groundnut – 8.47 million tonnes vs 6.33 million tonnes in 2015/16
- Castorseed – 1.74 million tonnes vs 1.75 million tonnes in 2015/16

With an increase of 8.35 million tonnes over the previous year, total Oilseeds production in the country is estimated at record level of 33.60 million tonnes. It is higher by 0.85 million tonnes than the previous record production of 32.75 million tonnes achieved during 2013-14.

The production of Oilseeds during 2016-17 is also higher by 4.34 million tonnes than the five year's average Oilseeds production. The current year's production is significantly higher than the production of 25.25 million tonnes during 2015-16.

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 2016/17 Rabi Oilseeds

The Cabinet Committee on Economic Affairs has approved the Minimum Support Prices (MSPs) for Rabi Oilseeds Crops of 2016-17 season are as follows: The MSP of Rapeseed/Mustard is raised (10.4%) by Rs. 350/Qtl to Rs. 3,700/Qtl from Rs. 3,350/Qtl earlier. For Safflower too it is increased (12.1%) by Rs. 400/Qtl to Rs. 3,700/Qtl from Rs. 3,300/Qtl in 2014-15. Further, to incentivize cultivation of oilseeds, the Cabinet has decided to give a bonus of Rs 100/- per quintal each for Rabi oilseeds including Rapeseeds/Mustards and Safflower, over and above the recommendations of the CACP.

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