Oilseeds Weekly Research Report

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Executive Summary

Mixed trend are seen in Soybean complex amid mixed pace of arrivals during this week. Traders and farmers are seemed to book their profit at the current price level in few trading centers. ITC is engaged in buying and selling activities in MP market. RM seeds prices declined amid good pace of arrivals as farmers and traders are releasing their stocks at the current price level. NCDEX future prices of Soybean and Mustard declined on profit booking phase of the market. CBOT prices are continued on higher side on firm sentiments.

As per recent released data of Ministry, the total area under Oilseeds is reported lower by 0.8 lakh hectares to 77.68 lakh hectares as on 10th Jan 2020 against 78.43 lakh hectares in the previous year in the corresponding period of time. There is a drop-in sowing of Mustard seed to 68.12 lakh hectares lower by 0.80 lakh hac. against 68.88 lakh hectares in last year. Total covering area of groundnut stood at 4.18 lakh hectares higher against 3.99 lakh hectares in last year. Safflower has been planted on 0.51 lakh hectares higher from last year record i.e.0.38 lakh hectares. Sunflower has been planted on 0.91 lakh hectares lower against 1.04 lakh hectares last year. Sesame has been planted on 0.42 lakh hectares lower from last year. Linseed has been planted on 3.20 lakh hectares lower against 3.34 lakh hectares in last year.

Agriwatch estimates 8.74 million tonnes of Soybean output in India for 2019-20 season which is sharply down by 42.73% against 12.59 million tonnes in 2018-19 despite covering 1.02% higher soybean area in this year due to bad weather condition. Rains in MP came when harvest has ongoing and crop was damaged to the extent of 20% in the Malwa region. Damage was 30-35% in Neemuch, Mandsaurm, Nagada and Janora and 10-15% in Indore, Dewas and Ujjain. Soybean seed was damaged and quality of soybean was inferior. The size of seed was small and quality of seed was bad. Some crop was damaged while drying in some areas. Rains came in Maharashtra when harvest was in progress. Crop damage is 5% of the total while 10% of area was affected in which damage was 50%. Waterlogging was the main reason for damage which led to seed damage and bad quality of the seed due to fungus. Vidharba reported higher damage with losses as high as 50% of the crop damaged in 20% of the area. Akola reported major damage. Latur, Solapur and Beed reported 10% damage while Parbani, Nanded and Hingoli reported 15% damage to the crop.

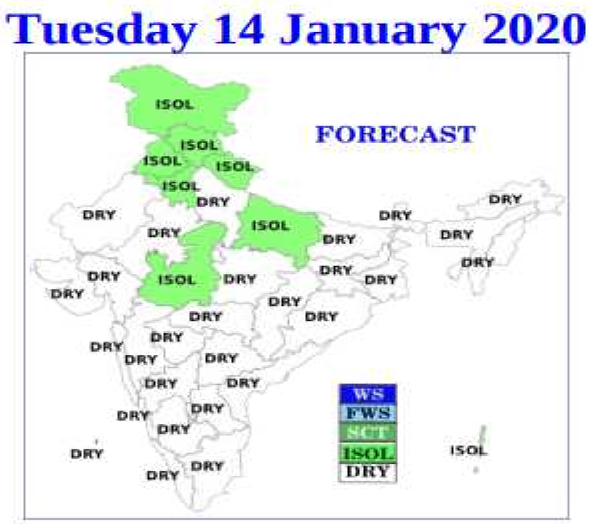
As per WASDE January report, world oilseed production for 2019/20 is projected at 574.63 million tons in Jan month, unchanged with higher soybean sunflowerseed crops offsetting declines for palm kernel, cotton seed and rapeseed. Total oilseeds crushing has been increased at 190,000 tons to 496.69 million tons due to higher crushing estimates in China and Maxico. Ending stocks for the world is kept 1 million tons higher at 112.32 million tonnes against 111.57 million tons in previous year due to higher sunflowerseed crop in Russia and reductions in feed, seed and waste consumption for soybeans in Brazil.

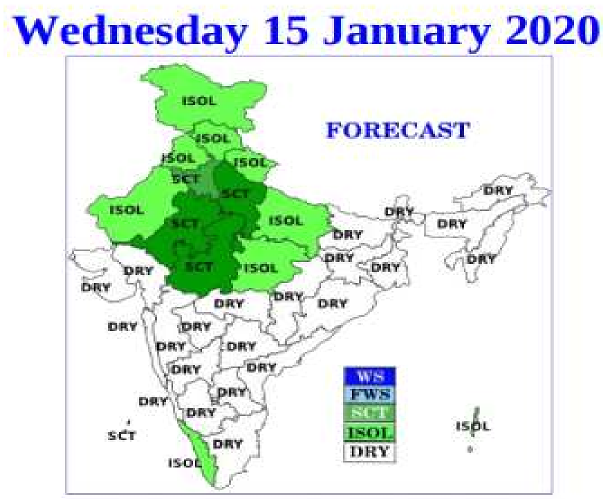
Soybean prices may trade in steady to firm tone on improved demand however RMseed prices may decline on weak demand of crushers.

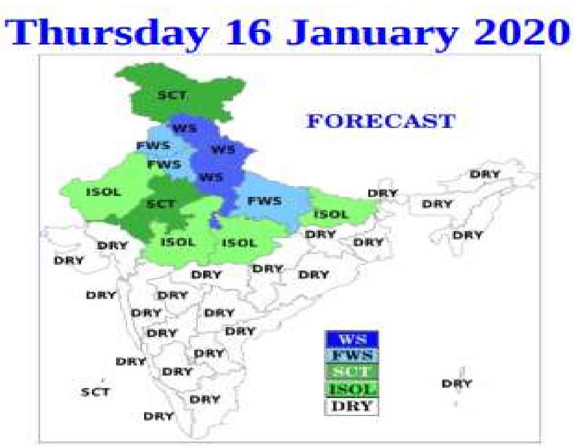
Outlook – Cash Market

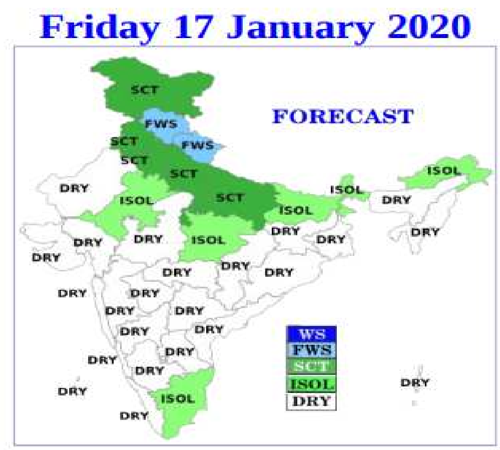
Outlook-Soybean (Spot, Indore): *Soybean Indore plant prices closed on lower side after poor demand. Prices may improve in next week in expectation of improved demand of stockiest and millers. Prices are likely to trade in the range of 4300 to 4600 in next week. The market sentiments are now depending on the stocks to be carried over to the next marketing year, buyers demand & weather condition and Kharif crop size estimates. Soybean import in Jan month may weigh on soybean prices.*
Outlook –Soy meal (Spot, Indore): *Soymeal prices closed lower side on weak demand of south based traders. Prices may trade steady to firm in the coming days. Prices are also being driven by global market's outlook and may trade between Rs.34800 to 36000/MT in Indore market. Exporters are remain less active in the market.*
Outlook-Rapeseed-Mustard (Spot, Jaipur basis) *Mustard seed prices at Jaipur market showed weak trend in absence of crushers and millers demand. Prices may decline in coming week in expectation of less demand at higher price level. Prices are likely to trade in the range of 4500 to 4680 in next week. Nafed is likely to start disposal of Mustard seed soon which may weigh on prices. NCDEX future prices of RM Seed may decline in expectation of heavy selling pressures.*

Weekly Weather Report









- A fresh Western Disturbance is likely to affect Western Himalayan Region & adjoining plains of northwest India during 18-20th January, onwards. Under its influence, Scattered to Fairly widespread precipitation likely over Western Himalayan region and adjoining plains of northwest India during 18- 20 January, with peak activity on 19th January, 2020.
- Isolated to Scattered rainfall is likely over Arunachal Pradesh, South Coastal Andhra Pradesh, Tamilnadu and Lakshadweep.

Rabi Oilseed Sowing Status

Rabi Oilseeds Sowing as on 10.1.2020 (In lakh Hectare)				
	Normal Area	2019-20	2018-19	Change (Y-o-Y)
Rapeseed & Mustard	60.48	68.12	68.88	**-0.80**
Groundnut	7.76	4.18	3.99	**0.2**
Safflower	1.41	0.51	0.38	**0.1**
Sunflower	2.92	0.91	1.04	**-0.1**
Sesamum	3.12	0.42	0.52	**-0.1**
Linseed	2.99	3.20	3.34	**-0.1**
Total-Oilseeds (Nine)	78.85	77.68	78.43	**-0.8**

Soybean

Domestic Market

Soybean prices showed mixed trend in this week amid mixed sentiments in the markets. Soybean prices may trade in steady to firm tone as demand is likely to improve due to good demand soyoil in coming dyas. Soybean import activities in Jan month will curb any major hike.

Nafed has procured total 10675.16 MT so far including 10648.85 MT in Telangana states, 4.41 MT in Maharashtra VCMF and 26.31 MT in MAHAFPC.

Soybean Crop harvesting of Kharif season is now completed. Continuous heavy rainfall received during monsoon season has severely damaged the crop in Rajasthan and Madhya Pradesh.Incidence of sucking pest and yellow mosaic virus has been observed in the field. Overall crop condition is below normal and yield is expected to be below normal. As per traders, total 20 to 25% soybeans are damaged in MP state majorly in the districts of Ratlam, Mandsaur and Neemuch. Traders expect Soybean production in India at 85 lakh tonnes for 2019/20 due to heavy crop loss in MP& Rajasthan.

As per SOPA, Soybean arrivals is registered at 12 lakh tonnes in October month lower from 21 lakh tonnes in last year in same month and also lower of 4 years record due to less supplies. India has shipped total 0.20 lakh tonnes in Oct month less than 0.24 lakh tonnes in last year. Planters, Traders and Farmers held 75.64 lakh tonnes of Soybean stocks so far of this season. India has crushed total 6.50 lakh tonnes in Oct 2019 lower from 9.50 lakh tonnes in previous year during the same month. India may produce total 89.84 lakh tonnes in 2019/20 season. SOPA expects carry over stock from last year at 1.70 lakh tonnes and 1.54 lakh tonnes for carry forward in next year. Imports of India are likely to stand at 3 lakh tonnes. Retained for sowing will be at 12 lakh tonnes while direct consumption is estimated at 2 lakh tonnes. Exports for 2019/20 may record at 1.50 lakh tonnes and crushing is estimated at 77.50 lakh tonnes. Soymeal production of the country is likely to stand at 62.78 lakh tonnes. Carry over stock of Soymeal is estimated at 1.59 lakh tonnes and 1.37 lakh tons of carry forward stocks. While export sea and land may stand at 10 lakh tonnes. Domestic consumption of Soymeal (Food) is estimated at 5.50 lakh tonnes and 47.50 lakh tonnes for Feed. In October month, India has exported total 0.50 lakh tonnes of Soymeal lower against 1.31 in Oct 2018 on lower overseas demand.

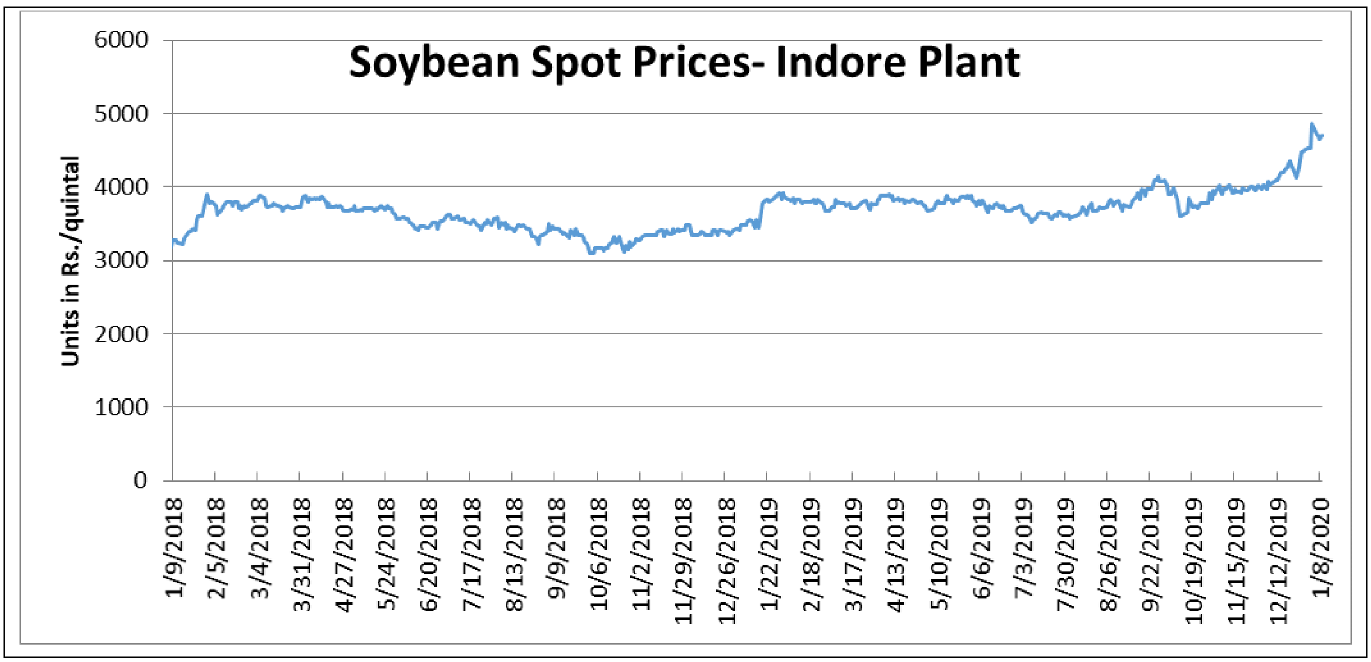
As per recent updates of SOPA, India may harvest 17.7 per cent lower Soybean crop at 89.9 lakh tonnes in 2019 against 109.3 lakh tonnes in 2018. The major Soybean producing states like Gujarat, Karnataka, Madhya Pradesh may harvest lower Soya crop by 30 per cent to 0.86 lakh tonnes, 7.1 per cent to 2.69 lakh tonnes,31.1 per cent to 40.10 lakh tonnes respectively against last year record.

As per ministry report, All India sowing of soybean stood at 114.24 lakh hectares compared to 113.10 lakh hectares as on 04.10.2019. Sowing of soybean is higher in Madhya Pradesh at 55.16 lakh tonnes against 53.18 lakh tonnes in last year and Rajasthan at 10.61 lakh tones compared to 10.46 lakh tonnes in previous year.

As per the First Advance crop estimates 2019-20 of Ministry of Agriculture, Soybean production is estimated at 135.05 lakh tonnes as compared to 137.86 lakh tonnes in 2018-19.

The Ministry of Agriculture has fixed higher Minimum Support Price of Soybean (Yellow) at Rs 3710 per quintal for 2019-20 an increase of Rs 311 from Rs. 3399 per quintal in 2018-19.

The domestic soybean prices are likely to trade in steady to firm tone in coming days.



Source: Agriwatch

International Market

CBOT futures prices closed higher side amid improved exports prospectus to China. Chinese trade delegation may travel to Washington on Jan. 13 for the signing of the US-China Phase 1 trade deal which can support US soybean sales to China.

As per recent report of Conab, Brazil may grow 6.3% higher soybean to 122 million tonnes in 2019-20 compared to previous year record as farmers have increased acreage for soybean after supportive weather condition. Sowing is almost finished in Brazil.

During the week (Dec.27,2019 to Jan 2,2020) US sold 8% higher soybeans to 355,500 MT for 2019/2020 from the previous week however 59% from the prior 4-week average. Increases were primarily for Indonesia (78,600 MT, including 68,000 MT switched from unknown destinations and decreases of 100 MT), Germany (75,800 MT), China (74,700 MT, including 66,000 MT switched from unknown destinations), the Netherlands (67,200 MT, including 60,000 MT switched from unknown destinations), and South Korea (58,700 MT, including 55,000 MT switched from unknown destinations), were offset by reductions for unknown destinations (73,000 MT), Taiwan (500 MT), Pakistan (400 MT), and Malaysia (200 MT). For 2020/2021, total net sales of 3,400 MT were for Japan. Exports of 1,118,800 MT were up 4 percent from the previous week, but down 8 percent from the prior 4-week average. The destinations were primarily to China (353,800 MT), Egypt (128,500 MT), Mexico (102,500 MT), Indonesia (98,100 MT), and Germany (75,800 MT).

As per source, China purchased total 9.4 million tonnes of US soybean ending January 2,2020 and 9.7 million tons to the rest of world. It exported total 474,000 tons in previous year in the corresponding period of time including 12.7 million tons in rest of the world and outstanding sales to China were 3 million tons and 12.5 million to the rest of the world. U.S. soybean export commitments (outstanding sales plus accumulated exports) to China totaled 11.2 million tons compared to 3.5 million a year ago. Total commitments to the world were 29.8 million tons, compared to 30.4 million for the same period last year.

As per sources, European Union bought total 6.6 million tonnes of Soybean till Dec 22, 2019 (season started on July 1) which is lower by 2% from last year record in Dec.16. EU soymeal imports had reached higher by 15% to 9.3 million tonnes, the year-earlier period, while palm oil imports stood down by 19% to 2.6 million tonnes.

As per NOPA recent data, NOPA members have crushed total 164.90 million bushels of Soybeans in November 2019 which is lower from 175.39 million bushels in October 2019. It is also lower from 166.95 million bushels in November 2018. Crushing is below than the average trade estimate of 172.032 million bushels, based on data gathered by Reuters from 10 analysts. It was also below all trade estimates that ranged from 168.6 million to 178.028 million bushels, with a median of 170.5 million. Soybean oil stocks rose to 1.448 billion pounds at the end of November against 1.423 billion pounds in October month however lower from 1.484 billion pounds at the end of November 2018. Soymeal exports has been reported lower in November 2019 at 868,769 tons from 894,817 tons in November 2019 and 901,449 tons exported in November 2018.

As per sources, Argentina may grow higher soybean crop at 53.6 million tons in 2019/20 supported by stable weather condition. USDA kept unchanged production estimates i.e. 53 million tons in January month report and lower from previous year record. Farmers in country may plant total 18.2 million hectares in this season higher from 17.7 million hectares in last year record. As per ministry report, Argentina has covered 64% soybean planting area as on 12th Dec 2019 which is slightly lower from 66% in last year record and also below from the five years average of 67%.

As per USDA, the soybean planted area in Brazil is likely to increase by 2% to 37 million hectares for 2019-20 against last year record and soybean production is forecast higher by 5% to 123 million T in normal weather condition as compared to last year. While, the consultancy expects, total soybean planting area in Brazil at 36.4 million hac.and the production at 120.7 million tonnes in the current season.

As per Conab, Brazil may harvest higher Soybean crop at 121.09 million tonnes in 2019/20 against 115.03 million tonnes in last year and 120.86 million tonnes in Nov. month estimates. Soybean area in Brazil is likely to stand higher at 36.79 million Ha. in 2019/20 against 36.71 million ha. in Nov. month estimates and 35.87 million ha. in 2018/19 season. Brazil may export total 72 Million tonnes in 2019/20 higher from 70 million tonnes in 2018/2019 however the projected figure is lower from 83.257 million tonnes in 2017/2018.

China has opened soy meal market for imports from Argentina and Ukraine, in an effort to improve supply of soy meal in the country. Supplies of Argentina meal will start from the harvest of its crop in 2020. China has allowed poultry imports from Europe to tide over shortage of meat in its domestic market. Further, China has allowed cotton meal imports from Brazil and allowed poultry and meat imports from Canada and US to tide over rising domestic meat prices. China has also allowed to import rapeseed meal from Ukrain. It is likely to give permission to import rice bran and palm meal from Thailand.

As per USDA recent released report, U.S. Soybean production for 2019/20 is forecasted slightly higher to 96.84 million tons in January against previous month. Exports of U.S are unchanged at 48.30 million tonnes in this month. U.S crushing is also unchanged at 57.28 million tonnes in Jan. month. Ending stocks of the country is expected lower at 12.91 million tonnes in Jan. month review against 12.92 million tonnes in Dec. Month estimates.

As per USDA, U.S. Gulf FOB soybean export bids in December averaged $363/ton, higher $6 from November. Brazil Paranagua FOB averaged $369/ton unchanged from November. Argentina Up River FOB averaged $367/ton, up $14.

As per USDA forecast, soybean production of Brazil in 2019-20 is projected at 123 million tonnes higher against the previous year 117 million tonnes due to supportive weather condition and unchanged from previous month record. Exports of soybean in 2019-20 is expected to 76 million tones higher from 74.94 million tonnes in 2018-19.

As per the latest update from USDA, China soybean production is estimated at 18.10 MMT on higher-than-expected area. Encouraged by subsidies favoring soybean production, farmers have increased planted area; the subsidy has been particularly effective in Northeast provinces. Weather has been favorable as slightly higher yields are expected. Total imports of China are estimated at 8.5 million tonnes for 2019/20 season unchanged from Dec. month. While crushing is forecasted higher at 8.50 million tonnes against 8.45 million tonnes in Dec. month estimates.

As per IGC (International Grain Council), Global soybean output may decline by 18 million tonne to 341 million tonnes due to slight shortfall in U.S Soybean output for this season and lower planting area so far in Brazil.

As per sources, Ukraine may export lower soybean by 19.8% to 2 million tonnes in 2019/20 against previous year record. While, it may export higher sunoil by 0.8% to 6.1 million tonnes in 2019/20 from last year record. The country may export 16.7% higher Rapeseed to 2.86 million tonnes in 2019/20 against 2018/19 season.

As per Abiove, Brazil is likely to produce total 122.8 million tons in 2020 higher from 117.8 million tonnes in 2019. The country may export total 75 million tonnes lower from 83.26 million tonnes in 2019. Soy processing is forecast at 44 million tonnes higher against 42.9 million tonnes in 2019. Soy crushing may increase in 2020 due to higher biodiesel mix in diesel. However, soy planting area is still lagging behind last year record.

As per Agro consult, Brazil is likely to ship to China between 54 million tons to 59 million tons in 2019/20 lower against 60 million tons in last year. Total shipment of the country may stand between 76.5 million tons to 78 million tons depend on trade war settlement between U.S. and China. Brazil may produce total 124 million tons of soybean in this year higher from 118 million tons in last year.

Soy meal

Soymeal prices declined after less south based traders demand. Declining prices of soybean and soyoil are also affecting soymeal prices. Total Oilmeals exports declined on account of disparity in export of oilmeals, specifically soybean meal because of the higher minimum support price (MSP) of beans which makes the domestic soybean meal expensive in international market in comparison.

During the week Dec.27,2019 to Jan 2,2020)) US sold 22% lower soybean cake and meal to 74,200 MT for 2019/2020 from the previous week and 47% lower from the prior 4-week average. Increases primarily for Ecuador (35,500 MT), Canada (7,400 MT, including decreases of 1,800 MT), unknown destinations (6,000 MT), Honduras (4,600 MT), and the Philippines (4,100 MT), were offset by reductions for Guatemala (900 MT) and Japan (200 MT). Exports of 148,100 MT were primarily to the Dominican Republic (35,600 MT), Mexico (35,100 MT), Canada (23,100 MT), Colombia (13,000 MT), and Guatemala (12,400 MT).

As per USDA, U.S. soybean meal export bids in December averaged $344/ton, up $5 from November. Brazil Paranagua FOB averaged $326/ton, up $7 from November, and Argentina Up River FOB averaged $331/ton, up $12. The U.S. and Brazil FOB soybean price spread has narrowed as Brazil's FOB soybean price averaged 2 percent above U.S. prices, slightly less than 3 percent last month.

As per sopa, total shipment of soymeal has declined over 70% to 1.13 lakh tonnes in oil year October and November 2019 as compared to 4.57 lakh tonnes in previous year record in the same period of time. India shipped total 63,000 tonnes in October 2019 lower against 1.31 lakh tonnes and 50,000 tonnes in November 2019 lower against 3.26 lakh tonnes in previous year during the corresponding period of time. Higher soybean meal prices has affected poultry sector demand. DOC buyers may switch to other alternative meal products due to higher soymeal prevailing prices.

According to trade source, one vessel (HERMITAGE BRIDGE) is at berth for loading at Kandla port for export of castorseed meal with total capacity of 13,000 tons. One vessel (HERMITAGE BRIDGE) is at berth for loading at Kandla port for export of rapeseed meal with total capacity of 13,000 tons. One vessel (PHC MARITIME) at berth for discharge at Tuticorin port for import of sunflower cake with total capacity of 7,700 tons.

Soymeal production of the country is likely to stand at 62.78 lakh tonnes. Carry over stock of Soymeal is estimated at 1.59 lakh tonnes and 1.37 lakh tons of carry forward stocks. While export Sea and land may stand at 10 lakh tonnes lower output and noncompetitive prices in world market. India had exported total 22 lakh tonnes in last year in 2018-19 season. Domestic consumption of Soymeal (Food) is estimated at 5.50 lakh tonnes and 47.50 lakh tonnes for Feed. In October month, India has exported total 0.50 lakh tonnes of Soymeal lower against 1.31 in Oct 2018 on lower overseas demand.

As per recent report of USDA, India may produce lower Soymeal to 6.4 million tonnes in 2019/20 compared to 7.6 million tonnes in 2018/19 season. The estimate is unchanged from Nov. month estimates. Domestic consumption is forecast at 5.35 million tonnes for this season higher from 5.2 million tonnes in previous year record however it is unchanged from previous month record.

As per recent SEA report, India shipped Oilmeals lower by 79% to 67,562 tons in December 2019 against 324,927 tons in December 2018. The overall export of oilmeals during April-Dec. 2019 is reported at 1,802,434 tons compared to 2,411,248 tons in April-Dec.2018 i.e. down by 25%. This is mainly due to disparity in export of oilmeals, specifically soybean meal due to higher MSP of beans which makes the domestic soybean meal

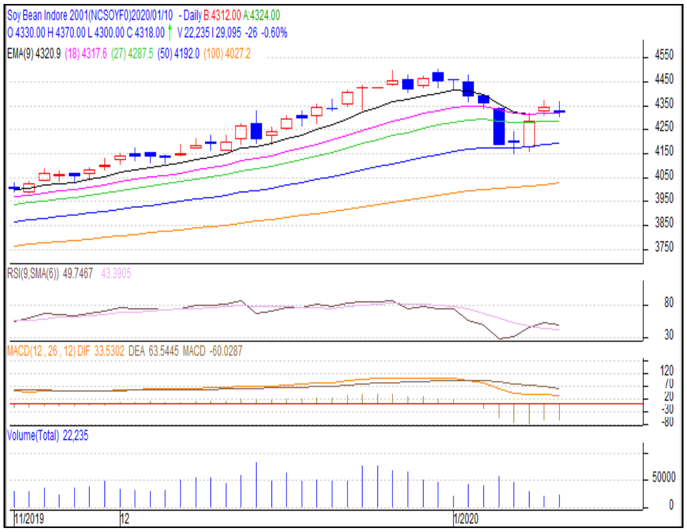
expensive in international market compared to other origin. However, the export of castor seed meal has increased by 60% to 469,248 against 292,511 tons.
During April-December 2019, Vietnam imported 228,553 tons of oilmeals (compared to 473,010 tons); consisting of 5316 tons of soybean meal, 144,570 tons of rapeseed meal and 78,667 tons of De-oiled Rice Bran Extraction. South Korea imported 709,312 tons of oilmeals (compared to 578,443 tons); consisting 37,616 tons of soybean meal, 294,758 tons of rapeseed meal and 376,938 tons of castor seed meal. Thailand imported 176,555 tons of oilmeals (compared to 258,400 tons) consisting 155,959 tons of rapeseed meal, 17,581 tons of Rice Bran Extractions and 3015 tons of soybean meal.

During April-December 2019, the export from Kandla is reported at 656,067 tons lower (36%), followed by Mundra handled 588,547 tons (33%), and Mumbai including JNPT handled 130,267 tons (7%) and Kolkata handled 105,786 tons (6%) and Others Ports handled 321,767 tons (18%).

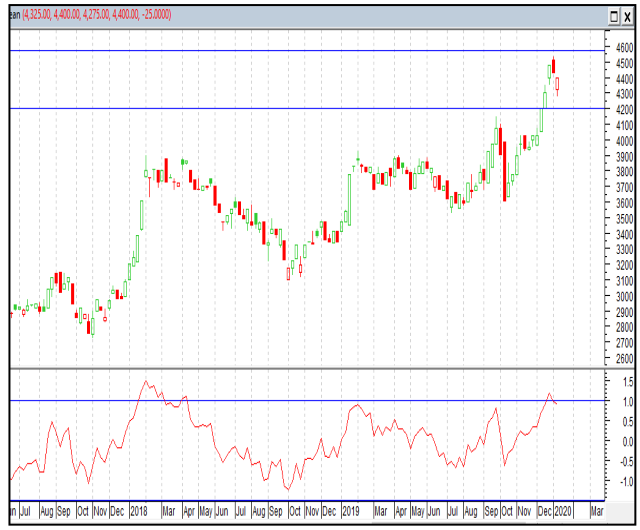
Indian Soymeal premium quoted higher side by $108 per ton over Argentinean meal with Indian meal bullishness producing the premium rather than Argentinean meal bearishness. Such premiums may limit bookings of Indian Soymeal for forward as well as spot market.

Technical Analysis:

NCDEX Soybean FUTURE



Soybean Spot, Indore



***Note: Daily Chart**

Support & Resistance NCDEX Soybean – Jan. Contract				
S2	S1	PCP	R1	R2
4100	4150	4318	4490	4550

- Soybean Jan. contract depicts weak trend and likely to find support at 4150 and resistance at 4490
- On the upside, 4490 shall act as immediate resistance followed by INR 4550.
- On the downside, INR 4150 shall act as immediate support followed by 4100.
- Trade Recommendation (NCDEX-Soybean) -**Sell**

Weekly trade call: **Sell** Below-4310 Target – T1-4250; T2-4180, SL – 4370

Rapeseed - Mustard Seed

RM seed prices closed lower side on weak demand of crushers due to higher price level. Arrivals are in mixed pace in the market. At the end of week, mustard closed at 4700 per quintal as compared to 4905 per quintal in last week at the benchmark, Jaipur.

As per recent Ministry report, India has covered total 68.12 lakh hac. of Mustard area as on 10th Jan. 2020 which is lower by 0.76 lakh hac. against 68.88 lakh hac, in 2018-19. In Rajasthan, farmers have covered total 25.04 lakh hac. higher against 24.78 lakh hac. followed by 12.24 lakh in Uttar Pradesh, 7.03 lakh hac. in MP, 5.45 lakh hac. in West Bengal, 1.72 lakh hac. in Gujarat, 5.62 lakh hac. in Haryana, 2.43 lakh hac in Jharkhand.

High water level in most reservoirs will support to increase yield. However, acreage for Rabi season may decline less as sowing has been delayed due to recent rainfall in October and November and late harvesting of Kharif crops. Farmers had waited water to dry up the sowing low lying land. The government expects Mustard seed production at 8.24 MT for 2019-20 lower than last year record. Government has announced Rs. 225 higher MSP of Mustard seed for Rabi 2020-21 seasons to Rs.4425 against Rs. 4200 in 2019-20.

According to United States Department of Agriculture (USDA) December estimates, India's 2019-20 Rapeseed oil import estimates are revised lower at 1.20 lakh tonnes from 1.25 lakh tonnes in previous year. Domestic consumption lowered to 27 lakh tonnes from 27.30 lakh tonnes in previous year record. Ending stocks have been lowered to 1.44 lakh tonnes from 1.43 lakh tonnes in last year record. India may produce total 77 lakh tones of Rapeseed in 2019/20 lower from 80 lakh tonnes in 2018/19.

As on 16thOct 2019, Nafed sold total of 7920 MT of R-19 Mustard seed holdings in Rajasthan, Madhya Pradesh & Haryana markets. It disposed total 87419 MT of Mustard R-19 so far and holds remaining balance at 1001488.76 MT. It is likely to dispose total 7.47 lakh tonnes in next three month following 2.51 in November 2019, 2.50 Lakh tonnes in Dec 19, and 2.45 lakh tonnes in Jan 20 from various trading centers of Lucknow, Indore, Jaipur, and Chandigarh & Ahmedabad. It may sell total 1938.67 MT in Lucknow, 1.20 lakh tonnes in Indore, 4.35 lakh tonnes in Jaipur, 1.45 lakh tonnes in Chandigarh, 45541.18 MT in Ahmedabad during Nov. Month to Jan 2020.

As per the Mustard Oil Producers Association of India data, India crushed 13% lower mustard seed to 500,000 tonnes in September 2019 compared to last month record on account of lack luster demand of mustard meal exporters and less arrivals in physical markets. While, it is unchanged from last year record during the same month. In September 2019, total supply of mustard seed was 150,000 tonnes in Rajasthan, 85,000 tonnes in Uttar Pradesh 85,000 and 45,000 tonnes in Madhya Pradesh. Total available stocks with processors, stockiest and state-run agencies stood at 1.6 million tons in September 2019. It pegged total mustard crop output at 8.1 million tonnes in 2018-19 season which is higher from 7.1 million tonnes in last season. The estimated figure is lower than the farm ministry fourth advance estimate i.e. 9.3 million tonnes.

As per Fourth advanced estimates of government, it estimates Mustard seed output at 93.9 lakh tonnes for 2018/19 higher by 9.09 lakh tonnes from 84.3 lakh tonnes in 2017/18. It estimates groundnut crop size at 66.95 lakh tonnes for 2018/19 against 92.53 lakh tonnes.

Technical Analysis:

RM Seed Futures Contract

Mustard Spot Jaipur

Support & Resistance NCDEX RM Seed – Feb. Contract				
S1	**S2**	**PCP**	**R1**	**R2**
4355	**4355**	**4497**	**4556**	**4608**

- Mustard Feb. contract depicts weakness and further can get support at INR 4355
- Prices have tested the lower level of 4413 in this week.
- Trade Recommendation (NCDEX Rapeseed-Mustard) -**Sell**

Weekly trade call: **Sell** Below – 4490 Target – T1-4410 T2- 4355, SL –4545

Oilseed Prices at Key Spot Markets:

Commodity / Centre	Prices (Rs/Qtl)				Change
Soybean	9-Jan-20		2-Jan-19		
	Low	High	Low	High	
Indore –Plant	4350	4450	4500	4560	-110
Indore–Mandi	4250	4350	4350	4450	-100
Nagpur-Plant	4420	4470	4500	4540	-70
Nagpur – Mandi	3700	4010	3810	4340	-330
Latur – Mandi	3500	4400	4100	4525	-125
Akola – Mandi	NA	NA	3250	4300	-
Kota-Plant	4350	4400	4350	4400	Unch
Kota – Mandi	4200	4270	4200	4300	-30
Bundi-Plant	4350	4400	4350	4400	Unch
Bundi-Mandi	4200	4350	4200	4300	50
Baran-Plant	4400	4500	4300	4350	150
Baran-Mandi	4350	4400	4200	4300	100
Bhawani Mandi Jhalawar–Plant	4500	4550	4375	4425	125
Jhalwar-Mandi	4400	4450	4350	4400	50
Rapeseed/Mustard					
Jaipur-(Condition)	4695	4700	4900	4905	-205
Alwar-(Condition)	4475	4525	4650	4700	-175
Sri Ganganagar-(Non-Condition)	4150	4250	4350	4450	-200
New Delhi–(Condition)	4500	4600	4725	4750	-150
Kota-(Condition)	4250	4370	4300	4400	-30
Agra-(Condition)	4548	4643	4667	4762	-119
Neewai-(Condition)	4350	4400	4475	4525	-125
Hapur (UP)-(Condition)	4450	4500	4575	4625	-125
Groundnut Seed					
Rajkot	850	850	820	820	30
Sunflower Seed					
Gulbarga	NA	NA	3526	4012	-
Latur	NA	NA	0	0	-
Sholapur	NA	NA	0	0	-

Soybean Prices are in INR/qtl. (1 bag=90 kg). Mandi prices – Loose, Mustard Seed Prices are in INR/qt (1 bag=85 kg) 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
Soybean	**9-Dec-19**	**2-Jan-20**	
Madhya Pradesh	110000	125000	-15000
Maharashtra	100000	120000	-20000
Rajasthan	35000	30000	5000
Bundi (Raj)	150	135	15
Baran (Raj)	1700	3000	-1300
Jhalawar (Raj)	1000	2000	-1000
Rapeseed/Mustard			
Rajasthan	55000	55000	Unch
Alwar	1000	2000	-1000
Sri Ganganagar	250	200	50
Kota	1300	900	400
Groundnut Seed			
Rajkot (Gujarat)	4250	4100	150
Sunflower Seed			
Sholapur (Maharashtra)	NA	0	-

Other Oilseed Prices at Mumbai (INR/100 Kg):

Oilseeds	9-Jan-20	2-Jan-20	Change
Groundnut Kernel	5650	5900	-250
Gr. Bolds 60/70	6350	6250	100
Gr. Javas 60/70	7900	8000	-100
Gr Javas 70/80	7550	7650	-100
Gr.Javas 80/90	7300	7300	Unch
KardiSeed 2% Exp Qly	5400	5400	Unch
Sesame White 98/2/1 FM	10700	10700	Unch
Whitish 95/5/FFA/1FM	10500	10500	Unch
Brown 48/2 FFA/4 FM	10400	10400	Unch
Brown 48/3 FFA/4 FM	10000	10000	Unch
Brown 48/4 FM/* No FFA Guarantee	9500	9500	Unch
Sunflower Seed	4500	4500	Unch
Niger Seed (4% FM)	5500	5500	Unch

Annexure

India's Total Oilseeds Production Seen at 223.89 Lakh Tons in 1stAdv. Est. - GOI (Kharif)

The first Advance Estimates of production of major crops for 2019-20 have been released on 23rd Sep, 2019 by the Department of Agriculture, Cooperation and Farmers Welfare. The assessment of production of different crops is based on the feedback received from States and validated with information available from other sources. Few the major crops producing states have received good rainfall. As a result, the production of oilseeds kharif crops estimates for 2019-20 has witnessed higher than their normal production. Oilseeds production of India is placed higher by 11.11 lakh tonnes to 223.89 lakh tonnes against the production of 212.78 lakh tonnes in 4th advanced estimates for 2018-19. The estimated figure is also higher by 11.5 lakh tonnes than five years average oilseeds production.

The estimated production of major Oilseeds during 2019-20 is as under:

Oilseeds – 223.89 Lakhtonnes

- Soybean – 135.05 Lakh Tons
- Groundnut – 63.11 Lakh Tons
- Castorseed – 17.37 Lakh Tons
- Sesame/Sesamum/Gingelly/Til – 6.86 Lakh Tons
- Nigerseed – 0.83 Lakh Tons
- Sunflower – 0.67 Lakh tons

MSP for 2019/20 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 2019-20 season, the MSPs of all the Kharif oilseeds are raised for this season. The MSP of Yellow Soybean is increased by Rs.311 from Rs.3399/qt in 2018- 19 to Rs.3710/qt in 2019-20,Groundnut is increased by Rs.200 from Rs.4890/qt in 2018-19 to Rs.5090/qt in 2019- 20, Sunflower is increased by Rs.262 from Rs.5388/qt in 2018-19 to Rs.5650/qt in 2019-20, Sesamum is increased by Rs.236/qt from Rs.6249/qt in 2018-19 to Rs.6485/qt in 2019-20, Niger seed is increased by Rs.63 from Rs.5877/qt in 2018-19 to Rs.5940/qt in 2019-20.

MSP for 2020/21 Rabi Oilseeds

Centre has increased the MSP of Mustard/Rapeseed by INR 225 from last year and kept it at INR 4425 per quintal. Last year the MSP of Mustard/rapeseed was INR 4200 per quintal including bonus of INR 200. Safflower MSP has been increased by INR 270 to INR 5215 from INR 4945 per quintal of last year. Last year MSP includes a bonus of INR 100 per quintal.

SOPASoybean Production Estimates Kharif 2019-20 As On10.10.2019

SOPA Soybean Estimates Kharif						
	2018-19			2019-20		
State	Area	Yield	Production	Area	Yield	Production
Gujarat	1.32	925	1.241	1.003	858	0.861
Maharashtra	36.39	944	34.34	37.363	971	36.295
Karnataka	3.19	911	2.90	3.302	816	2.694
Madhya Pradesh	54.1	1075	58.18	51.952	772	40.107
Chhattisgarh	1.281	865	1.108	0.742	726	0.539
Telangana	1.791	877	1.571	1.783	846	1.508
Rajasthan	9.212	971	8.945	9.627	681	6.56
Others	1.09	955	1.041	1.841	748	1.377
Total	108.4	940.4	109.3	107.6	802.3	89.9