

# Oilseeds Weekly Research Report

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## Executive Summary

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The domestic soybean and rapeseed-mustard posted gains on good buying support in the cash market. However, weak demand in soymeal and cheaper edible oil imports, limited the gains.

Weak export sales in soymeal and expectation of higher area under soybean crop this kharif, continued to weigh on the soybean prices.

We expect further fall in the soymeal prices on bearish domestic supply outlook and price competitive soymeal of South American origin.

Kharif oilseeds planting in major oilseeds is 85% higher than the corresponding period last year. This is after adequate seasonal rains in the major oilseeds growing states.

We expect India's total area under soybean cultivation to increase this season as it is a less labour intensive crop and has considerably higher MSP, but poor demand for soymeal of Indian origin and lower than expected returns to farmers in soybean, could limit the gains in the planted area.

Soybean is expected to remain under pressure on bearish global and domestic scenario. We expect the poultry demand to improve with the relaxation in lockdown, however, rapidly increasing COVID cases in India continue to influence the low poultry demand.

The continued gains in rapeseed-mustard prices is likely to slow down with gradual fall in the seed demand after strong buying support in last couple of months by oilseeds' crushers and stockists. The millers are almost done with covering their stock.

Subdued demand from poultry sector will continue to weigh on the soymeal and soybean prices in near-term.

## Outlook – Cash Market

**Outlook - Soybean (Spot, Indore):** The soybean prices will feature range-bound movement with weak bias, weak soymeal demand, decline in crushing and forecast of good monsoon this season will continue to weigh on the bean prices. The prices (Indore, Plant basis) is expected to feature range bound movement in the price bands of 3600 – 3800 level.

**Outlook – Soy meal:** Weak demand from poultry sector and poor overseas demand with expectation of higher stock during the season will continue pressuring the domestic soymeal. Soymeal prices are likely to witness range-bound movement with weak bias on slack in demand from poultry sector. Coronavirus pandemic has led to the decline in poultry consumption in last couple of months and thus meal demand has been badly affected. Indian meal exporters are advised to explore new markets aggressively and try to regain the lost markets especially traditional South and Far-East Asian destinations including Japan in the coming days. The domestic meal prices are likely to remain under supply pressure and feature range bound movement in near-term. **Relaxation in lockdown has raised the hope of fresh demand from poultry sector in coming days, though** Soy meal, Indore is expected to be in the range of 28,600 – 29,000/MT levels during the week.

**Outlook - Rapeseed-Mustard (Spot, Jaipur basis):** The rapeseed-mustard is expected to feature range-bound movement with weak bias, as the crushers are almost done with covering their stock. The new crop arrivals gradually falling week-on-week. The seed prices are likely to feature losses and witness the levels between 4800 – 4900/Qtl; levels during the week.

## International Highlights

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- ❖ In the weekly USDA crop progress report released on 06 July 2020; The US Soybean is blooming 31% up from 8% same period last year and 24% from 5 year average. Soybeans setting pods at 2% up from 1% same period last year but down from 4% from 5 year average. About 57% of the crop is under good condition, 14% at excellent condition and 24% at fair condition.
- ❖ Brazil's solvent extractors' group ABIOVE has raised the country's soybean export forecast at 79.5 million tonnes from 78 million from its previous forecast.
- ❖ Besides, Abiove has raised Brazil's 2020 soybean production at 125 million tonnes compared to 124.5 million tonnes in previous forecast.
- ❖ Brazil's soybean exports in June'20 totaled 13.8 million tonnes compared to 8.6 million tonnes in the same period last year, Brazil's government trade data.
- ❖ As per Anec, Brazil's June soybean exports figure is expected at 11.9 million tonnes, up 37% from the same period last year. The surge is mainly contributed by the strong Chinese demand and normal port operations, Anac said. Country's July soybean exports is predicted to be 7.25 million tonnes
- ❖ Anec has also increased its Brazil's annual exports projection for 2020 to 78 million tonnes of soybeans, up from 73 million tonnes predicted in April.
- ❖ Strategie Grains has slashed its forecast for 2020/21 rapeseed production in European Union plus Britain to 16.54 million tonnes compared with 16.68 million tonnes estimated previous month.
- ❖ Strategie Grains has raised its projection of EU rapeseed imports in 2020/21 to a record 6.2 million tonnes, but reduced the volume of expected crush in the bloc.
- ❖ Brazil's soybean farmers have sold about 39.8% of their projected 49.6 million tonnes of 2020/21 crop, according to Safras & Mercado.
- ❖ Brazil's soybean farmers have sold 92.9% of the current season 2019/2020 crop up from 71.1% same period last year and a 74.8% historical average. Safras & Mercado has pegged that country have harvested 124.6 million tonnes of soybeans this season.

- ❖ Talks between US and China raised the hopes that Beijing would continue to buy American farm goods as called for under a trade agreement – Reuters.
- ❖ US soybean crushings declined by 1.3% in May, while end-of-month soyoil stocks fell from seven year high, according to the figures released by NOPA. US, processed 169.584 million bushels of soybeans in May, down from 171.754 million bushels in April but up from the 154.796 million bushels processed in the same period last year, May 2019.
- ❖ In the Jul'20 WASDE report by USDA, the US 2020/21 soybean area is projected up at 83.8 million acres compared to 76.1 million acres in 2019/20. US soybean yield for 2020/21 is projected at same at 49.8 bushels per acre vs 47.4 bushels per estimated in 2019/20 and the total US soybean production is pegged up at 4135 million bushels compared to 3557 million bushels (96.79 Mn T) estimated in 2019/20.
- ❖ Ukraine's APK-Inform agriculture consultancy has raised its forecast for Ukraine's sunflower seed output in 2020 to 16.0 – 16.2 million tonnes from its previous forecast of 15.5 million tonnes.
- ❖ Precipitation in the month of May is the reason cited for the increase. Ukraine's sunseed production was estimated at 15.45 million tonnes in 2019.
- ❖ Brazil's May soybean shipments jumped 45% on the year and touched 15.5 million tonnes, the second-highest monthly soy exports ever, in the latest foreign trade department data released on June 1.
- ❖ Of which a huge 74% (49 million tonnes) of this volume was bound for China, which is 40% jump from a year ago, as Chinese crushers opted more competitively priced Brazilian beans over US origin soybeans supply, this is despite the US-China Phase 1 trade deal signed in January.
- ❖ The sector analysts have forecast Brazilian soybeans output for 2019-20 to hit a record high average of 122 - 125 million tonnes.
- ❖ Market participants, projected Brazil's 2019-2020 soybean exports to rise as high as 78 million tonnes due to the pandemic-fueled Chinese buying spree and the weak real.
- ❖ Argentina's soybean yield is estimated an average of 2.96 tonnes per hectare and the country's soybean production is pegged at 49.5 million tonnes, said the Buenos Aires Grains Exchange.
- ❖ World crushings of soybeans fall short of expectations. Oil World's new estimate of 304.7 Mn T is 1.9 Mn T below a month earlier and up only slightly by 1.3% from last season's reduced level.

- ❖ China's soybean imports in 2019/20 are expected at 87.50 million tonnes of which 13.7 million tonnes are expected to come from the United States - COFCO.
- ❖ Brazilian soybean exports to China in 2019/20 are expected to be 63.73 million tonnes.
- ❖ The Buenos Aires Grains Exchange in the report, has forecasted Argentina's 2091/20 soybean production at 49.5 million tonnes.
- ❖ Conab has reported that, Brazil is likely to grow 1.72% lower soybean at 122.06 million tons in 2019-20 (crop year September-August) from its March month estimates i.e. 124.20 however 6.13% higher from last year record due to supportive weather condition. Soya yield is likely to stay lower at 3313 KG/ Ha. against 3373 Kg/Ha. in March month forecast however higher from 3206 Kg/Ha. in last year. Planting area is estimated 0.05% higher to 36.84 million ha against 36.80 million Ha. and 2.70% higher from 35.87 million Ha. in 2018-19.

## Sown Area – Kharif Oilseeds, India

In the progressive official Kharif oilseeds planting report dated 10th July 2020, by the Ministry of Agriculture, the total coverage area under Kharif oilseeds is reported at 139.37 lakh hectares, surge by 85.2% from 75.27 lakh ha in the corresponding period of last year. Of the major oilseeds, soybean sowing is reported up by 96.4% at 101.46 lha compared to 51.66 lha during the corresponding period of last year, groundnut at 32.80 lha vs 20.25 lha, sesamum 4.13 lha vs 2.71 lha, castor seed at 0.26 lha vs 0.23 lha and niger at 0.14 lha vs 0.11 lha, during the same period last year.

Area in Lakh Hectares				
<b>Crop</b>	<b>Normal Area (5 Year Avg.)</b>	<b>As on 10 Jul 2020</b>	<b>As on 10 Jul 2019</b>	<b>% Change</b>
Groundnut	42.43	32.80	20.25	<b>62.0</b>
Soybean	111.49	101.46	51.66	<b>96.4</b>
Sunflower	1.84	0.58	0.31	<b>87.1</b>
Sesamum	14.13	4.13	2.71	<b>52.4</b>
Niger	2.41	0.14	0.11	<b>27.3</b>
Castor	9.65	0.26	0.23	<b>13.0</b>
<b>Total Oilseeds</b>	<b>181.95</b>	<b>139.37</b>	<b>75.27</b>	<b>85.2</b>

Source: MoA, GOI

## Soybean

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Soybean rebounded on some buying support, in hope of fresh soymeal demand, during the week in review.

Higher than normal soybean stock with crushers, and good seasonal/monsoonal rains limited the gains in soybean.

The soybean planting is in full swing in all the key growing states of Maharashtra, Madhya Pradesh and Rajasthan after adequate monsoonal rains in these states.

In the last progressive planting report by the Ministry of Agriculture dated July 10, 2020, India's soybean sowing is reported up by 96.4% at 101.46 lha compared to 51.66 lha during the corresponding period of last year.

India's normal area under soybean is estimated above 111.0 lakh hectares and we expect this year's coverage under soybean to be near or above normal.

Higher MSP for kharif marketing season (Rs. 3880/Qtl vs Rs. 3710/Qtl) and forecast of normal monsoon have improved the farmers' planting intention in soybean.

Need based buying in soybean continues across key soybean mandis like, Indore, Nagpur, Latur and Akola.

Soybean plant delivery price edged-up in Indore cash market to 3,650-3,900 from 3,500-3,740 previous week, on buying support.

The supplies of bean fell in various cash market yards of Madhya Pradesh to 70,000 – 1,25,000 bags a day from 75,000 – 1,35,000 bags a day, week ago.

Soybean farmers are almost done with their planting preparations and hence there is an increase in soybean supplies during the week.

The crushers are not eager to quote higher for the bean in a bid to keep the meal prices attractive for domestic as well as the foreign buyers and keep the exports prices lower which are already struggling to match the South American soymeal prices.

The domestic soybean prices will feature range bound movement with weak bias on poor soymeal demand and cheaper vegoil imports.

*The major buyers are as follows: Agrawal, Neemuch, Shanti Overseas, Living Food, Goyal Protien, Bansal-Bhopal, Vippy-Dewas, ABIS, Sneha, Ruchi Soya, Shalimar Katol, Vippy Dewas, Dhanuka Neemuch, Avi Agri Ujjain, M.S. Neemuch, RH Seoni, Prakash, Kriti Dewas, Mahakali, Prestige Dewas, Itarsi Oil, Sanwaria Itarsi, MS Solvex Neemuch, MS Soya Pachore, during the week.*

***The domestic soybean prices are likely to feature range-bound movement with weak bias on slack in soymeal demand. However, countywide relaxation on lockdown could encourage the poultry consumption leading to improved demand in soymeal which should limit the losses, in near-to-medium-term.***

**International:**

US soybean exporters have confirmed their first soybean export deal with China in nearly two year. Beijing in bid to fulfill its purchase commitments in the phase 1, USDA said private exporters reported the sale of 20,000 tonnes of soyoil for delivery to China in the 2019/20 marketing year.

Traders expect soybean arrivals for China to top 9 million tonnes a month in May, June and July, which is well above normal levels. China has booked more than 90 million tonnes of soybeans this year.

In 2019, China brought in 16.94 million tonnes of U.S. soybeans, up from 16.6 million tonnes in 2018 when shipments fell to half from the previous year due to the trade dispute.

China's domestic soybean production is seen at 18.81 million tonnes in 2020, up 3.9% from the previous year, according to forecasts from the agriculture ministry.

The country's soybean crushing volumes were pegged at 85.98 million tonnes this year, said the agriculture ministry during on the outlook for agriculture.

China's Soybean imports are forecast at 92.48 million tonnes this year, rising to 96.62 million tonnes in 2025 and 99.52 million tonnes in 2029, by the agriculture ministry conference on the outlook for agriculture.

Conab has reduced Brazilian soybean harvest by more than 2 million tonnes to 122.06 million attributed to the the drought predominantly in Rio Grande do Sul. By the end of March, soils in the far southern state were among the driest they had been in any month in at least 20 years.

Brazilian farmers have taken advantage of record weakness in their currency - Real, which has given them a profitability boost when selling their products in dollars on the global market. This, combined with a record crop, has particularly lifted the country's soybean exports.

Brazil 2020 soybean export forecast has been revised to 76 million tonnes vs 74.07 million tonnes in previous forecast by INTL FCSTONE.

Rosario Grains Exchange may have to reduce Argentine soybean crop estimates 50.5 million tonnes from its previous forecast of 51.5 million tonnes. This was after soybean crop was damaged by pockets of dry, hot weather in March, when harvesting was just hitting the ground.

Brazil's soybean shipment volume during 1Q20 was the highest on record, up by 13.5% from 1Q19. About 75% (or 13.3 million tonnes) of the Brazilian exports during the first quarter of 2020 was headed to China.

The large Brazilian harvest this season along with the significant depreciation of the local currency Real against the US dollar (the Brazilian real lost almost one third of its value since January), this eventually made Brazilian soybeans cheaper – which in turn triggered more buying from Chinese crushers.

About 75% (or 13.3 million tonnes) of the Brazilian shipments during the first quarter of 2020 headed to China. The large Brazilian harvest this season along with the significant depreciation of the local currency against the US



dollar (Brazilian real lost a third of its value since January), this eventually made Brazilian beans cheaper triggered more buying from Chinese crushers.

*The international soybean prices are expected to feature range bound movement with weak bias on better US soybean crop prospect and bullish South American supply scenario.*

## Soymeals

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Soymeal continued downtrend on subdued domestic demand and weak export sales mainly due to the Coronavirus pandemic. Limited and need based buying is continues to cater persisting demand.

Competitive soymeal prices of South America continued to hurt exports of soymeal of Indian origin.

No major trade development happened in recent days. Solvent Extractors' Association has just released the May'20 oilmeal exports data and it is yet release the June'20 oilmeal export figures.

Weak demand from the poultry and feed manufactures due to the decline in poultry or consumption of animal protein since last couple of months continued to weigh on the soymeal prices.

Despite ease in lockdown, India's poultry industry continued to be under pressure as it has been severely hit due to coronavirus pandemic and rumours linking poultry bird possible carrier of the virus. However, some improvement in poultry demand is visible in recent days.

The Solvent Extractor's Association have urged the government of India for the export incentive in the oilmeal and exemption from GST in the oilseeds and oilmeals to offset the losses due to their poor demand this year.

The export of oilmeals from India during May 2020 is provisionally reported at 247,879 tons compared to 201,768 tons in May, 2019 i.e. up by 23%. The main reason in increased of oilmeals in May 2020 is sharp increase in export of rapeseed meal to 144,244 tons from 72,895 tons in May 2019. The overall export of oilmeals during April and May 2020 is provisionally reported at 349,880 tons compared to 456,353 tons during the same period of previous year i.e. down by 23%, figures by SEA.

During April-May 2020, South Korea imported 145,772 tons of oilmeals (compared to 173,475 tons); consisting of 115,827 tons of rapeseed meal, 21,451 tons of castorseed meal and 8,494 tons of soybean meal.

Vietnam imported 85,092 tons of oilmeals (compared to 71,829 tons); consisting of 56,261 tons of De-oiled Rice Bran Extractions, 27,911 tons of rapeseed meal and small quantity of 920 tons of soybean meal.

U.S.A. imported 28,217 tons of oilmeals (compared to 33,092 tons); consisting of 27,997 tons of soybean meal and 220 tons of rapeseed meal and Taiwan imported 19,505 tons of oilmeals (compared to 22,955 tons); consisting of 15,486 tons of castorseed meal, 3,122 tons of rapeseed meal and 897 tons of soybean meal.

Port-wise Export of Oilmeals : April-May 2020 (Provisional), released by SEA: The export from Kandla is reported at 127,214 tons (36%), followed by Mundra handled 84,534 tons (24%), Mumbai including JNPT handled 22,080 tons (6%), Kolkata handled 59,615 tons (17%) and Others Ports handled 56,438 tons (16%).

Relaxation in lockdown across India have raised the hope that it could boost the poultry consumption which will subsequently improve the domestic demand in soymeal.

But, oversupply scenario of soymeal remains the pressurizing factor for meal, this is in view of higher than normal soybean stock for the remaining of the marketing season.

Exports demand in oilmeals of Indian origin continues to be thin as competitive price offered in soymeal by South America.

The domestic soymeal prices at Indore, fell and was quoted between Rs 28,500 – 28,800/MT compared to Rs 28,500 – 29,500/MT previous week.

At Latur soymeal fell to Rs 32,000 – 32,300/MT from Rs 32,600 – 32,700/MT a week ago and in Nanded it was quoted low at Rs. 32,500/MT compared to Rs. 32,500 – 33,000/MT a week ago. Besides, in Kota, the meal witnessed mild gain and was quoted at Rs 29,200 – 30,400/MT compared to Rs 29,200 – 30,200/MT previous week.

India's Y-o-Y soy meal prices, Indore, are currently lower. Soy meal Indore was quoted lower between Rs 28,500 – 28,800/MT during the week compared to Rs 29,500– 30,300/MT during the corresponding period last year.

*The soy meal prices (Indore) are likely to feature range-bound movement between Rs. 28,500 – 29,500/MT on slack in demand from poultry sector, in near to medium-term.*

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**Previous updates:**

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We feel the manufacturing of feed will be negatively impacted in Tamil Nadu, as the state has re-imposed lockdown amidst the COVID-19. There are several large feed manufacturers in Tamil Nadu.

India's oilmeal shipments fell 60% in April from a year earlier, as higher government-set oilseed MSP made the shipments uncompetitive.

India exported 102,001 tonnes of oilmeal in April 2020, said the Solvent Extractors' Association of India.

India's soymeal shipments may fall to around 500,000 MT in 2019-20 (Oct-Sep), less than one fourth of the year-ago figure of 2.1 million tonnes due to subdued demand from traditional overseas buyers amid ongoing countrywide lockdown, said Soybean Processors Association of India Chairman Davish Jain.

SOPA is concerned about the falling demand from the traditional buyers like France, Japan, Iran, Korea and Nepal of soymeal of Indian origin.

SOPA has sought a stimulus package from the Centre to support the soybean industry, which has been hit by the lockdown and collapse of poultry sector.

The poultry sector consumes 60% of the soymeal in India and there are no takers for it leading around half of the processing units being shut.

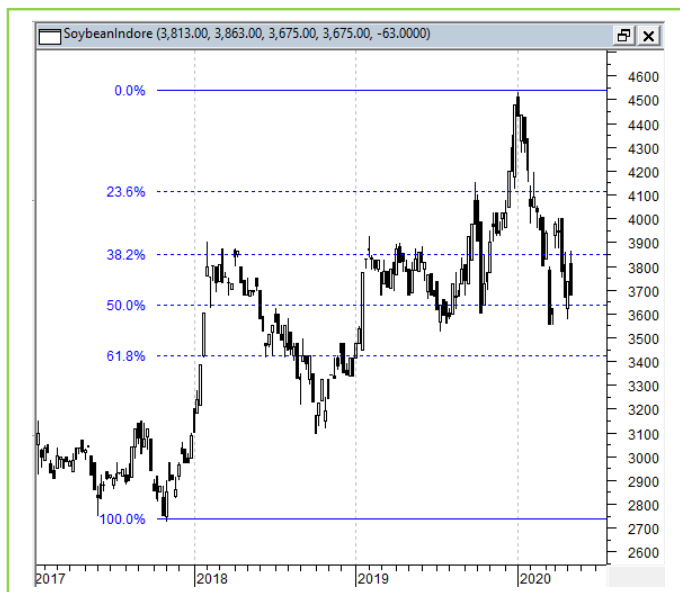
The association has urged the Centre to increase the soymeal export incentive to 7.5% from 5.0% currently to ramp up the shipments.

## Technical Analysis:

### NCDEX Soybean Futures



### Soybean Spot, Indore



\*Note: Daily Chart

### Support & Resistance NCDEX Soybean – Aug contract

S1	S2	PCP	R1	R2
3556	3400	3748	3928	4050

- Soybean posted gains on buying support in the market.
- Prices closed below 9-day and 18-day EMA.
- RSI and stochastic are rising in the neutral zone.
- MACD is rising in the positive territory.
- The prices are expected to feature losses in the coming week.
- Trade Recommendation (NCDEX Soybean – Aug) Week: **BUY** Above 3700. Levels: T1 – 3800; T2- 3850, SL - 3640.

## Rapeseed - Mustard Seed

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The rapeseed-mustard posted gains on good buying support by the crushers and the stockists, during the week under review. However, there is no aggressive buying now as the stockists and crushers are almost done with covering their stock.

Further, recent release of oilmeal export data by SEA has clearly showed that the rapeseed-mustard meal exports almost doubled in May'20 compared the same period last year, this remained supportive for the crushers.

Nafed continues to procure the rapeseed-mustard actively from various centers in Uttar Pradesh, Rajasthan, Gujarat, Haryana and Madhya Pradesh. However, the pace of purchases have slowed down in last couple of weeks.

As on 10 Jul 2020, the progressive purchase of rapeseed mustard by Nafed under PSS from these states stands at 8,02,614.33 metric tonnes with a total value of Rs. 3,55,156.84 Lakh and the total progressive number of farmers benefited from the scheme stands at 3,17,893.

India's mustard meal exports doubled on year to 144,244 tonnes in May'20 from 72,895 in May'19, as per data released by the Solvent Extractors' Association of India. The data for the month of June'20 is yet to be released by SEA.

Crushing of rapeseed-mustard by oilseeds crushers in India is in full swing and the volume is above same period last year.

RM seed prices witnessed gains by 1.6% to Rs 4890 – 4980 a quintal from Rs 4845 – 4880 a quintal previous week in Jaipur.

The all India rapeseed-mustard supplies are falling week-on-week and they were reported between 2.0 – 2.85 lakh bags in a day compared to around 2.5 – 3.0 lakh bags a day, previous week. The supplies were 1.30 – 1.60 lakh bags a day during the corresponding period last year.

The new crop seed is quoted at around Rs 4890 – 4980 a quintal compared to Rs 4050 – 4095 a quintal during the corresponding period last year at the benchmark, Jaipur.

At NCDEX futures, the August contract ended below previous week's level at 4,705/Qtl compared to 4,723/Qtl previous week.

The government has fixed the Minimum Support Price for rapeseed-mustard at Rs 4425/Qtl.

Agriwatch has projected India's MY 2020/21 rapeseed production at 7.2 million tonnes while Solvent Extractors of India has estimated the seed production at 7.7 million tonnes.

## Previous Updates

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India's 2019/20 rapeseed oil import estimate has been reduced to 0.25 lakh tons from 1.2 lakh tons in its earlier estimate, lower by 79.2 percent. Rapeseed oil consumption have been reduced to 27.30 lakh tons from 27.80 lakh tons in its earlier estimate, lower by 1.8 percent. End stocks of rapeseed oil in 2019/20 raised to 1.89 lakh ton from 1.38 lakh tons, lower by 36.95 percent, United States Department of Agriculture (USDA) April estimate.

As per Notification Number 2/2020-21 dated 13, April 2020, issued by Ministry of commerce and Industry, India has imposed more restriction on imports of RBD palmolein. With respect to notification number 39/2015-20 dated 8th Jan 2020 has been amended for the import policy of refined palm oil to "restricted" from "Free". Further, more conditions have been imposed for palm oil imports as mentioned below:

- i. The applications for import authorization should be accompanied with pre-purchase agreement and details of the import of the above items for past three years.
- ii. Validity period of import licenses/authorizations for refined palm oil will be 06 months in place of usual 18 months.
- iii. Total non-utilization of import authorization by the applicant will lead to disqualification of the importer from getting any further license for these items in future.
- iv. Customs will be required to diligently enforce the Rules of Origin criteria for import of these items originating from Nepal and Bangladesh.

This issues with the approval of competent Authority.

Malaysia Palm Oil Board (MPOB), Malaysia reduced May crude palm oil export tax to 4.5 percent from 5.0 percent last month. Export duty of palm oil is calculated at reference price of 2460.89 ringgit per ton. Tax is calculated between 2,250-2,400 ringgit per ton at 3.0 percent and is taxed maximum of 8.0 percent when prices are above 3,450 ringgit per ton.

*Outlook: The rapeseed-mustard is expected to feature gains on supportive buying by the stockists and the solvent extractors to cover their stocks, in the cash market. However, the gains will be limited with volume of trade which will gradually fall with crushers and stockists almost done with covering their stock.*

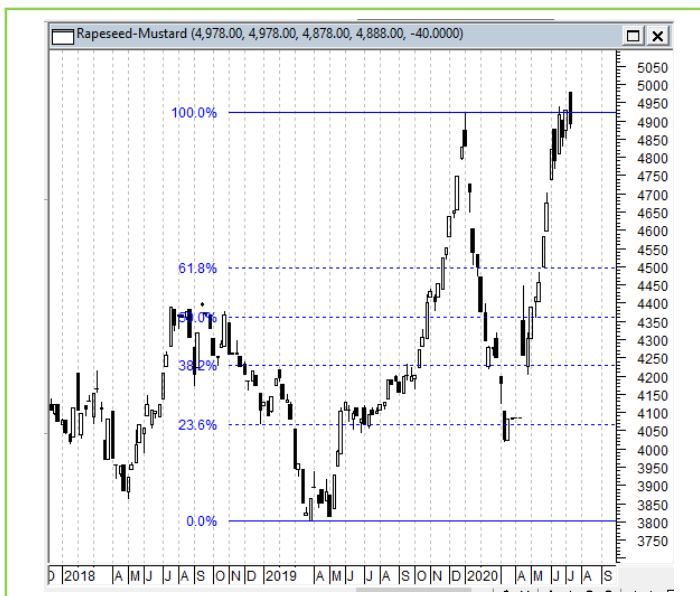
## Technical Analysis:

### NCDEX RM Seed Futures



\*Note: Daily Chart

### RM Seed Spot, Jaipur



### Support & Resistance NCDEX RM Seed – Aug contract

S1	S2	PCP	R1	R2
4500	4450	4705	4900	4950

- RM ended lower than previous week's level.
- Prices closed above 18-day EMA.
- RSI and stochastic are easing in the neutral zone.
- MACD is falling in positive territory.
- The prices are expected to feature losses during the week.
- Trade Recommendation (NCDEX Rapeseed-Mustard – Aug.) Week: **SELL** Below 4750. Levels: Target – 4650; T2- 4600, SL – 4810.

## Annexure

### Oilseed Prices at Key Spot Markets:

Commodity / Centre	Prices (Rs/Qtl)				Change
Soybean	09-Jul-20		03-Jul-20		
	Low	High	Low	High	
Indore –Plant	3700	3775	3650	3725	50
Indore–Mandi	3550	3650	3500	3600	50
Nagpur-Plant	3850	3890	3800	3850	40
Nagpur – Mandi	3300	3650	3250	3700	-50
Latur – Mandi	NA	NA	3300	3790	-
Akola – Mandi	3350	3615	3140	3625	-10
Kota-Plant	3750	3850	3700	3800	50
Kota – Mandi	3700	3800	3650	3750	50
Bundi-Plant	3650	3750	3600	3700	50
Bundi-Mandi	3600	3660	3570	3600	60
Baran-Plant	3570	3680	3550	3670	10
Baran-Mandi	3500	3640	3500	3620	20
Bhawani Mandi Jhalawar–Plant	3650	3880	3650	3850	30
Jhalwar-Mandi	3580	3670	3550	3650	20
Rapeseed/Mustard					
Jaipur-(Condition)	4920	4925	4890	4895	30
Alwar-(Condition)	4600	4650	4650	4700	-50
Sri Ganganagar-(Non-Condition)	4300	4425	4360	4460	-35
New Delhi–(Condition)	4730	4740	4670	4680	60
Kota-(Condition)	4530	4650	4415	4525	125
Agra-(Condition)	4810	5000	4762	4952	48
Neewai-(Condition)	4560	4660	4525	4625	35
Hapur (UP)-(Condition)	4800	4850	4700	4760	90
Groundnut Seed					
Rajkot	900	900	1020	1020	-120
Sunflower Seed					

Gulbarga	0	0	0	0	Unch
Latur	3000	3500	3000	3500	Unch
Sholapur	0	0	0	0	Unch
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
<b>Soybean</b>	<b>09-Jul-20</b>	<b>03-Jul-20</b>	
Madhya Pradesh	70000	125000	-55000
Maharashtra	45000	60000	-15000
Rajasthan	25000	28000	-3000
Bundi (Raj)	45	20	25
Baran (Raj)	4000	700	3300
Jhalawar (Raj)	7000	3000	4000
<b>Rapeseed/Mustard</b>			
Rajasthan	135000	180000	-45000
Alwar	1500	3000	-1500
Sri Ganganagar	3000	3500	-500
Kota	800	900	-100
<b>Groundnut Seed</b>			
Rajkot (Gujarat)	250	170	80
<b>Sunflower Seed</b>			
Sholapur (Maharashtra)	0	0	Unch

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

Oilseeds	9-Jul-20	3-Jul-20	Change
Groundnut Kernel	6800	6850	-50
Gr. Bolds 60/70	0	0	Unch
Gr. Javas 60/70	0	0	Unch
Gr Javas 70/80	0	0	Unch
Gr.Javas 80/90	0	0	Unch
KardiSeed 2% Exp Qly	4100	4100	Unch



Sesame White 98/2/1 FM	9000	9000	Unch
Whitish 95/5/FFA/1FM	8800	8800	Unch
Brown 48/2 FFA/4 FM	8600	8400	200
Brown 48/3 FFA/4 FM	8000	8200	-200
Brown 48/4 FM/* No FFA Guarantee	7600	7800	-200
Sunflower Seed	4100	4100	Unch
Niger Seed (4% FM)	6900	6800	100

## MSP of Kharif Oilseeds for Marketing Season 2020-21 - GOI

Sl. No	Crops	MSP for Kharif 2020-21	MSP for Kharif 2019-20	Increase in MSP (Absolute)
1	Groundnut	5275	5090	185
2	Sunflower seed	5885	5650	235
3	Soybean (yellow)	3880	3710	170
4	Sesamum	6855	6485	370
5	Nigerseed	6695	5940	755

The Cabinet Committee on Economic Affairs (CCEA) chaired by the Hon'ble Prime Minister Shri Narendra Modi has approved the increase in the Minimum Support Prices (MSPs) for all mandated Kharif crops for marketing season 2020-21.

Government has increased the MSP of Kharif crops for marketing season 2020-21, to ensure remunerative prices to the growers for their produce.

Among the Kharif oilseeds the MSP for groundnut has been increased to Rs. 5275 per quintal for marketing season 2020-21 from Rs.5090 per quintal in 2019-20 an increase of Rs.18 a quintal.

The MSP of sunflower to Rs. 5885 a quintal from earlier Rs. 5650 per quintal an increase of Rs 235 per quintal, Soybean-yellow to Rs. 3880 a quintal to Rs. 3710 per quintal last season, an increase of Rs. 170 a quintal, Sesamum to Rs. 6855 a quintal from 6485 earlier, an increase of Rs. 370 a quintal and the MSP of Nigerseed have been increased to Rs. 6695 a quintal from Rs. 5940 a quintal earlier, increase of Rs 755 per quintal.

Among all the Kharif crops, the highest increase in MSP is proposed for Nigerseed (Rs 755 per quintal) followed by Sesamum (Rs 370 per quintal), Urad (Rs 300 per quintal) and Cotton (long staple) (Rs 275 per quintal). The differential remuneration is aimed at encouraging crop diversification.

## India's Oilseeds Production Seen Record at 34.2 Mn T vs 31.5 Mn in 2nd Adv Est. for 2019-20 - GOI

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The 2nd Advance Estimates of production of oilseeds for 2019-20 have been released by the Department of Agriculture, Cooperation and Farmers Welfare on 18<sup>th</sup> February, 2020. 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 2019-20 is as under:

Oilseeds – 34.2 million tonnes in 2019-20 vs 31.5 million tonnes in 2018-19

- Soybean – 13.62 million tonnes vs 13.27 million tonnes in 2018-19
- Rapeseed-Mustard - 9.11 million tonnes vs 9.26 million tonnes in 2018-19
- Groundnut - 8.24 million tonnes vs 6.73 million tonnes in 2018-19

India's total oilseeds production during 2019-20 is estimated at 34.19 million tonnes which is higher by 2.67 million tonnes than the production of 31.52 million tonnes during 2018-19.

The production of oilseeds during 2019-20 is also higher by 4.54 million tonnes than the five year average oilseeds production.

## Sown Area – *Rabi* Oilseeds, India

In the final official Rabi oilseeds planting report, by the Ministry of Agriculture, the total coverage area under Rabi oilseeds is reported at 80.3 lakh hectares, slightly down 0.1% from 80.37 lakh ha in the corresponding period of last year. Of the major oilseeds, rapeseed-mustard sowing is reported down by 0.4% at 69.51 lha compared to 69.76 lha during the corresponding period of last year. Groundnut at 4.76 lha vs 4.59 lha, safflower at 0.63 lha vs 0.43 lha, sunflower at 1.04 lha vs 1.13 lha, sesamum 0.56 vs 0.71 and Linseed at 3.46 lha vs 3.44 lha during the same period last year.

Area in Lakh Hectares

<b>Crop</b>	<b>Normal Area (5 Year Avg.)</b>	<b>2019-20</b>	<b>2018-19</b>	<b>% Change</b>
Rapeseed/Mustard	60.48	69.51	69.76	<b>-0.4</b>
Groundnut	7.76	4.76	4.59	<b>3.7</b>
Safflower	1.41	0.63	0.43	<b>46.5</b>
Sunflower	2.96	1.04	1.13	<b>-8.0</b>
Sesamum	3.12	0.56	0.71	<b>-21.1</b>
Linseed	2.99	3.46	3.44	<b>0.6</b>
Others	0.14	0.34	0.31	<b>9.7</b>
<b>Total Oilseeds</b>	<b>78.86</b>	<b>80.3</b>	<b>80.37</b>	<b>-0.1</b>

Source: MoA, GOI

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