

Oilseeds Weekly Research Report

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Executive Summary

Domestic soybean and soymeal fell on bearish supply scenario after the planted area under soybean is up by 9% from the normal. Besides, the sown area under kharif oilseeds' is up by 8% from the normal this season.

Agriwatch has pegged India's 2020/21 soybean output up 38% from previous season after increase in the sown area under the bean.

Further, weak crush margin after fall in soymeal demand from poultry, decline in soymeal exports and increasing soyoil imports continued to remain bearish for the domestic bean and meal.

Hence, the soybean crush margins continued to remain weak and discouraging the millers to crush the bean aggressively, on weak meal and oil prices.

The rapeseed-mustard extended the rally on strong fundamentals followed by good demand in rapeseed-mustard oil and improved overseas rapeseed oilcake demand leading to better crush margins for millers.

In the last official progressive kharif planting report, India's area under oilseeds coverage is reported up by 11%. This year area coverage under soybean is 121.19 lha, up by 7% from the 113.30 lha normal area.

We expect soybean and soymeal to feature range-bound movement with weak-bias on bearish domestic and global supply outlook. However, the rapeseed-mustard prices will remain strong on good oil and rape-meal demand.

Outlook – Cash Market

Outlook - Soybean (Spot, Indore): The soybean prices will feature range-bound movement with weak bias, given the weak soymeal demand and higher soyoil imports. Further, expectation of higher soybean production this season will continue to weigh on the soy prices. The prices (Indore, Plant basis) are expected to feature range bound movement in the price band of 3,750–4,000 level.

Outlook – Soy meal: Persistent 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. 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. **(Vietnam, Indonesia, Philippines, Thailand, S. Korea and Japan combined are forecast to import 19.75 Mn T of soymeal in 2020/21 from Argentina, Brazil and US).** 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 30,500 – 31,500/MT levels during the week.

Outlook - Rapeseed-Mustard (Spot, Jaipur basis): The rapeseed-mustard is expected to feature range-bound movement with firm bias, on good crushing demand backed by good demand in rapeseed-mustard oil and improved exports in rapeseed-mustard oilcake. The seed arrivals are gradually falling week-on-week. The seed prices are likely to feature gains and witness the levels between 5,470 – 5,550/Qtl; levels during the week.

International Highlights

- ❖ In the latest USDA, September'20, report, the department has slashed US 2020/21 soybean production to 117.3 million tonnes from 120.4 million tonnes forecast in August'20 report.
- ❖ However, USDA has raised Brazil's 2020/21 soybean output to 133.0 million tonnes from 131.0 million tonnes forecast in its August'20 report. Also the department has increased its forecast for India for the soybean to 11.2 million tonnes from 10.75 million tonnes in its previous forecast.
- ❖ US soybean crushings improved to a four-month high in July 2020, according to National Oilseed Processors Association (NOPA) which has recently published the data. August data is yet to be released.
- ❖ The data shows that US processed 172.794 million bushels of soybean in July, the largest July soybean crush on record, up from 167.263 million bushels in June and the 168.09 million bushels processed in July 2019.
- ❖ Chinese state-owned trading firms have bought 480,000 tonnes of US soybean (in eight bulk shipments) for December and January delivery.
- ❖ **Revised September'20:** Brazil's 2020/21 soybean output is forecast up by around 5-6% between 127.3 million tonnes to 133.5 million tonnes by various agribusiness consultancies like Rabobank (127.3 Mn T), Abiove (13.5 Mn T), Datagro (131.69 Mn T), Celeres (131.4 Mn T), AgRural (131.3 Mn T) and Conab (133.5 Mn T).
- ❖ These agencies have pegged the Brazil's 2020/21 planted area to 37.9 - 38.2 million hectares (an increase of 1.3 – 2.5 million hectares over the 2019/20 final estimates).
- ❖ Given the Brazil's 2020/21 soybean production figures by various agencies, it will be an all-time high soybean production in the country which will once again prove to be competitive in the soybean market, in 2020/21 season. Brazil has harvested 125.5 million tonnes of soybean in 2019/20 which is slightly higher than 125 million tonnes in 2018/19.
- ❖ Argentina's 2020/21 soybean output is pegged at 50 million tonnes by Rosario Grain Exchange. The country harvested 50.7 million tonnes in 2019/20.
- ❖ Argentina is expected to increase its area under soybean crop by 0.6% this year vs 17.3 million hectares, said the exchange.

Sown Area – *Kharif* Oilseeds, India

In the progressive official Kharif oilseeds planting report dated 11th September 2020, by the Ministry of Agriculture, the total coverage area under Kharif oilseeds is reported at 195.99 lakh hectares, an increase by 11% from 176.92 lakh ha in the corresponding period of last year. Of the major oilseeds, soybean sowing is reported up by 7% at 121.19 lha compared to 113.30 lha during the corresponding period of last year, groundnut at 50.89 lha vs 38.92 lha, sesamum 13.77 lha vs 13.33 lha, castor seed at 7.39 lha vs 8.76 lha and niger at 1.57 lha vs 1.63 lha, during the same period last year. We feel country's final area under oilseeds to be above normal by 5-7% this season.

Area in Lakh Hectares

Crop	Normal Area (5 Year Avg.)	As on 11 Sep. 2020	As on 11 Sep. 2019	% Change
Groundnut	42.43	50.89	38.92	30.8
Soybean	111.49	121.19	113.30	7.0
Sunflower	1.84	1.18	0.98	20.4
Sesamum	14.13	13.77	13.33	3.3
Niger	2.41	1.57	1.63	-3.7
Castor	9.65	7.39	8.76	-15.6
Total Oilseeds	181.95	195.99	176.92	10.8

Source: MoA, GOI

Soybean

Soybean couldn't sustain the gains which was earlier boosted by heavy rains on concern of crop damage due to the heavy rains in few bean growing pockets.

Higher domestic planted area under soybean this season and bearish global soybean supply scenario in the upcoming season continue to pressure the bean market in medium-to-long term.

Decline in soymeal export sales from India, lower local soymeal demand and increase in soyoil imports by the country on the hand remained negative for the soy complex. This further have hit the crush margin in soybean.

In the latest development, the early soybean harvesting have commenced and some arrivals have started in the cash market yards, though the quality of the seeds is poor, initially.

India's area coverage under soybean crop is well above normal area of 111.49 lha by 9% last week.

In the last progressive planting report by the Ministry of Agriculture dated September 11, 2020, India's soybean sowing is reported up by 7% at 121.19 lha compared to 113.30 lha during the corresponding period of last year.

The country is expected to harvest higher bean crop this season compared to the last couple of years.

Agriwatch has pegged India's 2020/21 soybean output at 12.06 million tonnes, up 38% from 8.74 million tonnes in 2019/20. SOPA has pegged India's 2020 soybean output at 12.25 Mn T after a recent crop survey.

In the latest update by SOPA, the association has revised the import of soybean for the oil year 2019/20 upwards from 3 lakh tonnes to 5 lakh tonnes, soybean crushing during the same period is revised upwards from 73 lakh tonnes to 81 lakh tonnes, soymeal consumption for food from 6 lakh tonnes to 6.5 lakh tonnes and for feed from 47 lakh tonnes to 52.5 lakh tonnes.

SOPA has estimated India's carry over stock of soybean at the end of September 2020 to 6.06 lakh tonnes. It is expecting about 2 lakh tonnes of new soybean crop arrivals by the end of September'20.

IMD's subdivision rainfall data of 13 September 2020 reveals that the West Madhya Pradesh has received 881 mm of rainfall vs 789 mm (+12% departure), Vidarbha 767 mm vs 873 mm (-12% departure) and East Rajasthan received 562 mm rainfall vs 573 mm normal (-2% departure).

Overall, the soybean fundamentals are weak on decline in soymeal exports (-18%) and increasing soyoil imports (+52%).

Soybean plant delivery price have declined in Indore cash market at Rs 3,675 – 4,000 a quintal compared Rs 3,925 – 4,125 to the previous week.

The supplies of bean declined in various cash market yards of Madhya Pradesh to 3,65,000 bags during the week from 2,20,000 bags a week ago.

Government has set the MSP of soybean for kharif marketing season at Rs. 3880/Qtl vs Rs. 3710/Qtl last season. This will lend some support to the bean.

The major buyers are as follows: Agrawal, Neemuch, Shanti Overseas, Living Food, Goyal Protein, 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 soy meal demand, higher soybean oil imports and expectation of good crop this season.

International:

In the latest USDA, September'20, report, the department has slashed US 2020/21 soybean production to 117.3 million tonnes from 120.4 million tonnes forecast in August'20 report.

However, USDA has raised Brazil's 2020/21 soybean output to 133.0 million tonnes from 131.0 million tonnes forecast in its August'20 report. Also the department has increased its forecast for India for the soybean to 11.2 million tonnes from 10.75 million tonnes in its previous forecast.

Overall, the global soybean supplies for 2020/21 season is projected to be bearish.

Revised September'20: Brazil's 2020/21 soybean output is forecast up by around 5-6% between 127.3 million tonnes to 133.5 million tonnes by various agribusiness consultancies like Rabobank (127.3 Mn T), Abiove (13.5 Mn T), Datagro (131.69 Mn T), Celeres (131.4 Mn T), AgRural (131.3 Mn T) and Conab (133.5 Mn T).

These agencies have pegged the Brazil's 2020/21 planted area to 37.9 - 38.2 million hectares which is up 1.3 – 2.5 million hectares estimated by these agencies for 2019/20.

Industry estimates suggest this year's Brazilian soybean export may reach 80 million tonnes or more, which means another 12 million tonnes could be exported over the next few months. Shipping lineup, showed 5.3 million tonnes of soybeans scheduled for August.

Brazil 2020 soybean export forecast has been revised to 76 million tonnes vs 74.07 million tonnes in previous forecast by INTL FCSTONE. China will be the largest buyers from Brazil.

The above statements with data reveal bearish global oilseeds supply scenario in the upcoming season.

China's domestic soybean production is seen at 18.81 million tonnes in 2020, up 3.9% from the previous year, according to forecasts of the agriculture ministry. The country's soybean crushing volumes were pegged at 85.98 million tonnes this year.

The strong Chinese buying will continue to lend support to the international soy prices during the season.

Argentina's 2019/20 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. The reduction is mainly due to the dry weather during the crop development phase.

The international soybean prices are expected to feature range bound movement with weak bias on better US soybean crop prospect and South American supply scenario. However, strong Chinese buying will limit the downside.

Soymeal

Soymeal couldn't sustain the gains, as expected, on weak domestic demand and lower exports to the traditional destinations.

Further, forecast of higher soybean output this season have again created the bearish supply scenario in soymeal in the coming season. We are still away from the pre-COVID demand level from poultry, as the poultry demand have been severely hit post-COVID.

The soy complex is under pressure after crush margins are weak with additional set back after increasing soyoil imports. India's soyoil imports surged by 52% in July'20. Given the bearish global soybean supply outlook for the season, both demand in meal and reduction in soyoil import are unlikely in short-to-medium-term.

The provisional data of SOPA reveals India's August 2020 soymeal exports are down by 41% Y-o-Y at 45,000 metric tonnes compared to 76,000 metric tonnes. *Figures may change later, if revised by the Association.

The domestic soymeal demand continues to be weak mainly due to the weak demand in poultry attributed to the COVID-19 pandemic. We expect the local soymeal demand to gradually pick-up with reducing COVID fear.

Vietnam, Indonesia, Philippines, Thailand, S. Korea and Japan combined together is forecast to import 19.75 Mn T of soymeal in 2020/21 mainly from Argentina, Brazil and US.

The domestic average soymeal prices at Indore, witnessed gains to Rs. 30,583/MT and was quoted between Rs 30,000 – 31,000/MT compared to the average of Rs 31,667/MT traded between the price range of Rs 31,000 – 32,500/MT previous week.

At Latur soymeal fell to Rs 31,800 – 33,800/MT from Rs 34,300 – 35,500/MT a week ago and in Nanded it was quoted lower at Rs. 33,000 - 34,000/MT compared to Rs. 34,300 - 35,000/MT a week ago. Besides, in Kota, the meal too improved to Rs 32,000 – 34,000/MT compared to Rs 33,500 – 35,000/MT previous week.

India's Y-o-Y soy meal prices, Indore, are currently lower. Soy meal Indore was quoted higher between Rs 30,000 – 31,000/MT during the week compared to Rs 30,500 – 31,600/MT during the corresponding period last year.

The soy meal prices (Indore) are likely to feature range-bound movement between Rs. 31,000 – 31,500 /MT on slack in demand from poultry sector, in near to medium-term.

Previous updates:

India has lost the traditional South East Asian markets to South America in recent years as the markets have switched to GM soymeal and India has lost its non-GM advantage it enjoyed until recently. Japan was the biggest buyer of non-GM soymeal of Indian origin earlier.

Soymeal exports to SE Asian countries are continued to remain weak and given the bumper South American soybean crop and expectation of good US bean crop and it is unlikely India's soymeal export prices could compete with them.

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

In a major blow to the domestic soymeal market, which was already reeling under pressure, DGFT has blocked the online registration of Merchandise Export from India Scheme Claims (MEIS), this week, on its portal from exports undertaken 01.04.2020 onwards.

This will result in further decline in soymeal exports from India, as MEIS benefit of 5% is a significant incentive to compete in the world market. SOPA has made a representation to the government to revoke the suspension of the MEIS benefit immediately.

The revenue department have argued against continuing the MEIS, calling it wasteful and inefficient.

Instead of extending the Merchandise Exports of India Scheme, which cost Rs 43,500 crore in 2019-20, the NITI Aayog and the Ministry of Finance have called for putting financial resources into new Production-Linked Incentive (PLI) schemes in select sectors with core competency and potential for global exports.

However, SOPA has sought a stimulus package from the Centre to support the soybean industry, which has been hit by the lockdown and the collapse of poultry sector. It has asked the Center to increase the import duty in edible oils.

Besides, the SOPA members in a letter addressed to Ministry of Agriculture and Farmers Welfare have demanded exemption of GST on soybean and soymeal, the same time.

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.

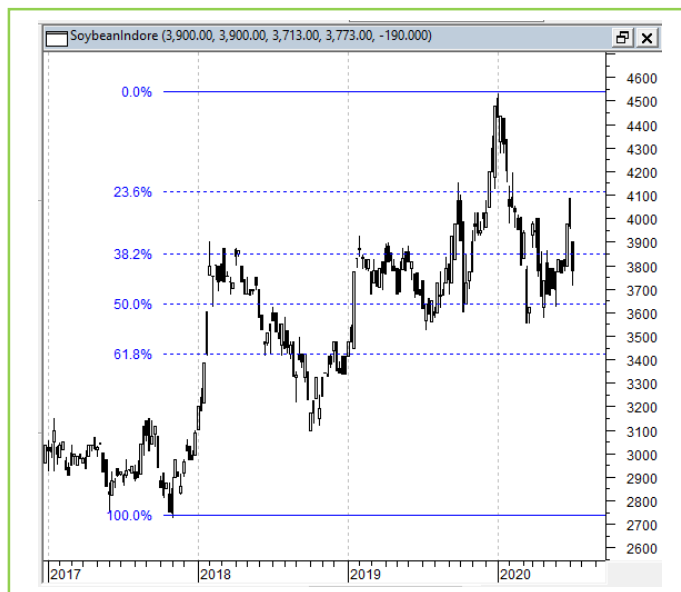
India's soymeal shipments may fall to around 500,000 MT in 2019-20 (Oct-Sep), less than one fourth of the year-ago figure of 2.1 million tonnes due to subdued demand from traditional overseas buyers amid ongoing countrywide lockdown, said Soybean Processors Association of India Chairman Davish Jain.

Technical Analysis:

NCDEX Soybean Futures



Soybean Spot, Indore



*Note: Daily Chart

Support & Resistance NCDEX Soybean – Oct. contract

S1	S2	PCP	R1	R2
3700	3600	3880	4100	4200

- Soybean edged-up on buying interest in the market.
- Prices closed above 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 gains in the coming week.
- Trade Recommendation (NCDEX Soybean – Oct.) Week: **BUY** Above 3870. Levels: T1 – 3970; T2- 4050, SL - 3810.

Rapeseed - Mustard Seed

Rapeseed-mustard continued upward trend on strong buying support by the millers supported by good demand in rapeseed-mustard oil and improved export sales in rapeseed oilcake in recent months.

Millers are aggressively crushing the rapeseed-mustard as the crush margins are good this season. The domestic rapeseed-mustard crushing was earlier expected to be in the range of 6.0-6.5 lakh tonnes but in last two months the processing stood at 8.0 lakh tonnes and it is expected to be in the range of 7.0-7.5 lakh tonnes in September.

Last season, about 25-27 lakh tonnes of the seed was processed in India during September and February.

According to the market participants currently the cumulative rapeseed-mustard stock with government agencies and farmers stands at 24 lakh tonnes and the crushing season is yet to go another six months before new crop arrivals.

About 2.5-3.0 lakh tonnes of the seed is the normal carry forward to the new season. This translates into availability of about 21-22 lakh tonnes of the seed will remain balance for crushing till February.

The Nafed and Hafed are gradually offloading their stock in the market. Nafed has sold around 8.35 lakh tonnes of rapeseed-mustard combined together new and old stock while Hafed has offloaded around 2.8 lakh tonnes of the seed of the total 5.30 lakh tonnes procured by the agency this year.

Further, decline in rapeseed oil imports during the oil year (Nov.-Oct.) continued to lend support to the domestic rapeseed-mustard complex. India has not imported rapeseed oil in July and August 2020.

Further, exports of rapeseed meal performed well, during the last four to five months (Apr.-Aug.).

The above factors kept the crush margin in seed viable to the crushers. Better crush margin in the seed remain encouraging for the crushers.

Overall, the rapeseed-mustard sentiments are strong with good buying support and high MSP for the seed.

The all India rapeseed-mustard supplies improved week-on-week and were reported at 10.30 lakh bags during the week compared to around 7.05 lakh bags, previous week. The supplies were 6.95 lakh bags during the corresponding period last year.

RM seed prices improved by just 0.4% to Rs 5,450 – 5,530 a quintal from Rs 5,420 – 5,525 a quintal previous week and Rs 4,150 – 4,165 a quintal during the corresponding period last year in Jaipur.

At NCDEX futures, the October contract rapeseed-mustard fell to 5,384/Qtl compared to 5,442/Qtl previous week.

Previous Updates

The total procurement of rapeseed-mustard by Nafed under PSS in 2020/21 from major seed producing states (Uttar Pradesh, Rajasthan, Gujarat, Haryana and Madhya Pradesh) stands at 8,03,853.33 metric tonnes with a total value of Rs. 3,55,705.10 Lakh and the total number of farmers benefiting from the scheme so far stands at 3,18,540.

Total procurement of the seed by Hafed in 2020/21 stands at 5,30,000 metric tonnes.

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.

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) kept same as previous estimate.

Strategie Grains has raised its forecast for 2020-21 rapeseed production in the European Union plus Britain to 16.79 million tonnes from 16.54 million in its previous estimates.

The upward revision, after six consecutive downward monthly projections was mainly due to favourable weather condition in Poland and Lithuania.

The rapeseed outturn is estimated to be still below previous year's poor crop harvest of 17.12 million tonnes, due to weak output in France, Britain, Central and Eastern Europe.

The production is hit mainly due to the very dry spring in parts of Europe as well widespread damage due to insects.

Strategie Grains has estimated EU rapeseed 2020-21 import to record 6.1 million tonnes, after estimating 6.2 million tonnes a month ago. EU had imported 6.0 million tonnes of rapeseed in 2019/20 season

Outlook: *The rapeseed-mustard is expected to stay strong and feature range-bound movement with firm bias, as the stockists and the solvent extractors have almost covered their stocks, in the cash market. Good rapeseed-mustard oil demand and improved overseas demand in rapeseed extract will continue to lend support to the seed prices are higher levels.*

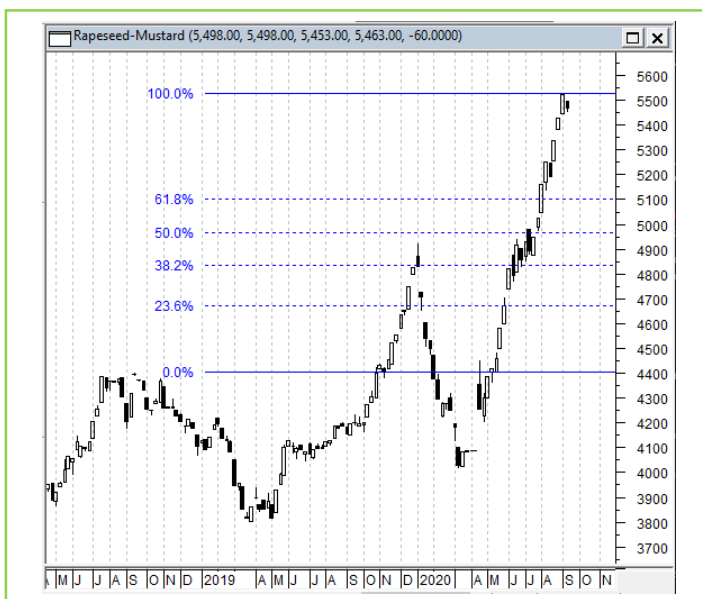
Technical Analysis:

NCDEX RM Seed Futures



*Note: Daily Chart

RM Seed Spot, Jaipur



Support & Resistance NCDEX RM Seed – Oct. contract

S1	S2	PCP	R1	R2
5200	5100	5384	5600	5700

- RM seed ended slightly lower than the previous week's close.
- Prices closed above 18-day EMA.
- RSI and stochastic are rising in the neutral zone.
- MACD is heading in positive territory.
- The prices are expected to feature gains during the week.
- Trade Recommendation (NCDEX Rapeseed-Mustard – Oct.) Week: **BUY** Above 5380. Levels: Target – 5480; T2- 5580, SL – 5320.

Annexure

Oilseed Prices at Key Spot Markets:

Commodity / Centre	Prices (Rs/Qtl)				Change
Soybean	10-Sep-20		04-Sep-20		
	Low	High	Low	High	
Indore –Plant	3675	3750	3925	4000	-250
Indore–Mandi	3450	3650	3750	3900	-250
Nagpur-Plant	3880	3950	3960	4000	-50
Nagpur – Mandi	3440	3820	3470	3920	-100
Latur – Mandi	3300	3685	3550	3740	-55
Akola – Mandi	3200	3675	3400	3780	-105
Kota-Plant	3625	3650	3900	3925	-275
Kota – Mandi	3500	3600	3775	3875	-275
Bundi-Plant	3550	3600	3835	3885	-285
Bundi-Mandi	3400	3500	3685	3785	-285
Baran-Plant	3530	3650	3820	3940	-290
Baran-Mandi	3370	3450	3590	3740	-290
Bhawani Mandi Jhalawar–Plant	3535	3665	3820	3950	-285
Jhalwar-Mandi	3415	3515	3720	3820	-305
Rapeseed/Mustard					
Jaipur-(Condition)	5450	5455	5525	5530	-75
Alwar-(Condition)	5050	5150	5200	5300	-150
Sri Ganganagar-(Non-Condition)	4740	4840	4850	4950	-110
New Delhi–(Condition)	5290	5310	5330	5350	-40
Kota-(Condition)	4900	5000	5200	5300	-300
Agra-(Condition)	5238	5429	5429	5619	-190
Neewai-(Condition)	4980	5080	5120	5220	-140
Hapur (UP)-(Condition)	5250	5300	5450	5500	-200
Groundnut Seed					
Rajkot	815	815	850	850	-35
Sunflower Seed					

Gulbarga	NA	NA	3250	3600	-
Latur	3000	3500	3000	3500	Unch
Sholapur	NA	NA	0	0	-
Soybean Prices are in INR/ctl. (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/ctl.					

Oilseed Arrivals in Key Centers:

Commodity / Centre	Arrivals in Bags/QtI		Change
Soybean	10-Sep-20	04-Sep-20	
Madhya Pradesh	105000	40000	65000
Maharashtra	80000	40000	40000
Rajasthan	12000	7000	5000
Bundi (Raj)	1000	2000	-1000
Baran (Raj)	2000	2500	-500
Jhalawar (Raj)	4000	4000	Unch
Rapeseed/Mustard			
Rajasthan	100000	90000	10000
Alwar	3000	3000	Unch
Sri Ganganagar	1500	400	1100
Kota	1200	800	400
Groundnut Seed			
Rajkot (Gujarat)	383	170	213
Sunflower Seed			
Sholapur (Maharashtra)	NA	0	-

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

Oilseeds	10-Sep-20	4-Sep-20	Change
Groundnut Kernel	6250	6300	-50
Gr. Bolds 60/70	NA	0	-
Gr. Javas 60/70	NA	0	-
Gr Javas 70/80	NA	0	-
Gr.Javas 80/90	NA	0	-
KardiSeed 2% Exp Qly	4000	4000	Unch
Sesame White 98/2/1 FM	8700	8500	200

Whitish 95/5/FFA/1FM	8500	8300	200
Brown 48/2 FFA/4 FM	8300	8100	200
Brown 48/3 FFA/4 FM	7900	7700	200
Brown 48/4 FM/* No FFA Guarantee	7500	7300	200
Sunflower Seed	4200	4000	200
Niger Seed (4% FM)	6600	6300	300

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

The 2nd Advance Estimates of production of oilseeds for 2019-20 have been released by the Department of Agriculture, Cooperation and Farmers Welfare on 18th 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

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

Source: MoA, GOI

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