

Oilseeds Weekly Research Report

Contents

- ❖ Executive Summary
- ❖ Outlook – Cash Market
- ❖ AW Oilseeds Index
- ❖ International Highlights
- ❖ Planted Area
- ❖ Soybean – Domestic & International
- ❖ Soy meal
- ❖ Technical Analysis - Soybean
- ❖ Rapeseed - Mustard
- ❖ RM Seed Supply, Rajasthan
- ❖ Technical Analysis – RM Seed
- ❖ Annexure – Prices etc.

Executive Summary

The domestic soybean, rapeseed-mustard and groundnut seed fell on subdued buying activity among the oilseeds' crushers, during the week under review.

Government's decision of reduction of import duty by 10% on palm oil and bargain hunting were the major reasons for the decline in oilseeds and oilmeals during the period under review.

However, soymeal posted mild gains while rapeseed-oilcake fell on poor demand from poultry sector, but better export sales in recent while limited the downside.

The rabi oilseeds' planting is underway and it is up 6% compared to the same period last year, which remained pressurizing factor to the complex to some extent. Of which rapeseed-mustard sowing figures are up 8% for the same period.

Forecast of heavy rains after the cyclone Burevi in parts of Tamil Nadu, Kerala and some other Southern parts of India may hit the newly sown rabi groundnut crop of Tamil Nadu and adjoining areas.

Soybean prices fell -1.5%, rapeseed-mustard eased by -1.9%, groundnut seed prices declined by -0.2%, rapeseed meal fell by -1.4% while soymeal edged up by +0.3% all compared to the previous week's level.

We feel rapeseed-mustard and soybean complex will feature range bound movement with weak bias after sharp gain in recent weeks. Groundnut prices will rebound on bullish outlook followed by improved overseas demand for Indian seed. All the oilmeals will follow the trend in oilseeds on case to case basis.

Outlook – Cash Market

Outlook - Soybean (Spot, Indore): The soybean prices will feature range-bound movement with steady buying by the oilseeds' crushers, to cover their stock for future. Recovery in soymeal export sales in recent months and decline in the soyoil import should also lend support to the bean prices. The prices (Indore, Plant basis) are expected to feature range bound movement in the price band of 4,350 – 4,450 level.

Outlook – Soy meal: Soymeal prices are likely to feature rang bound movement with flat demand. Dull demand from poultry sector will remain negative for the market. However, some export demand in last couple of months will limit the gains. Soy meal, Indore is expected to be in the range of 33,000 – 34,000/MT levels during the week.

Outlook - Rapeseed-Mustard (Spot, Jaipur basis): Rapeseed-mustard is expected to feature range-bound movement with weak bias, on expectation of higher acreage under the seed and the sharp rise in the mustard oil prices, leading demand diversion to other edible oils to some extent. The seed prices are likely to witness the price levels between 5,900 - 6,000/Qtl; levels during the week.

International Highlights

- ❖ World soymeal exports is expected to decline by 3.1 Mn T in 2020. Deficient Argentine export supplies will be offset only partly by other countries.
- ❖ National Oilseed Processors Association (NOPA) said its members have processed record high soybean and have crushed 185.245 million bushels of soybean in October'20, which is up from 161.491 million bushels in September 2020 and 175.397 mln bu. in October 2019. It was the largest crush in terms of volume after previous record of 181.374 million bushels processed in March 2020.
- ❖ In the November'20 report, the USDA has slashed US 2020/21 soybean production to 113.5 million tonnes from 116.1 million tonnes forecast in October'20 report. US soybean exports may surge to 46-48 Mn T in Sept/Feb 2020/21. Huge exports to China will tighten supplies for the rest of the world.
- ❖ USDA attache has projected China's 2020/21 soybean imports at 95 million tonnes which is lower than 98.5 million tonnes imported in 2019/20 by the country. The reason cited is the higher beginning stocks in the new marketing season following a buying spree in 2019/20.
- ❖ **According to the Safras and Mercado, an agribusiness consultancy, Brazil's soybean farmers have sold 56.5% of their soybean in advance through 4th December 2020. Considering the crop output of 133.517 Mn T this season the volume of pre-sold soybean stands to an estimated 75.403 million tonnes.**
- ❖ Brazil's Ministry of Economics said that it would scrap tariffs on soybean and corn imports from countries outside the Mercosur trade bloc until early next year to curb food inflation.
- ❖ 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. The Buenos Aires Grains Exchange has estimated the soy crop at 46.5 million tonnes vs 49.6 million tonnes last season and increase the area under bean by 0.6% this year vs 17.3 million hectares last year.
- ❖ EU and UK Imports: According to the official EU data, European Union and Britain's 2020/21 soybean imports stood at 5.29 million tonnes for the period 1st July to 12th November, 2020. The figure is up 2% from the same period, last season. The imports for rapeseed in 2020/21 are down by 18% to 2.6 million tonnes compared to 2019/20. Soymeal imports in 2020/21 was also down by 8% to 6.70, while palm oil purchases were up 7% to 2.31 million tonnes.

Sown Area – *Rabi* Oilseeds, India 2020-21

In the latest official rabi oilseeds planting report, by the Ministry of Agriculture, the total coverage area under rabi oilseeds is reported at 67.05 lakh hectares, up 6.2% from 63.15 lakh ha in the corresponding period of last year. Of the major oilseeds, rapeseed-mustard sowing is reported up by 8% at 61.82 lha compared to 57.41 lha during the corresponding period of last year. Groundnut at 2.12 lha vs 2.31 lha, safflower at 0.42 lha vs 0.31 lha, sunflower at 0.57 lha vs 0.63 lha, sesamum 0.18 lha vs 0.25 lha and linseed at 1.80 lha vs 2.05 lha during the same period last year.

Area in Lakh Hectares

Crop	Normal Area (5 Year Avg.)	As on 04 Dec. 2020	As on 04 Dec. 2019	% Change
Rapeseed/Mustard	59.44	61.82	57.41	7.7
Groundnut	7.28	2.12	2.31	-8.2
Safflower	1.18	0.42	0.31	35.5
Sunflower	2.41	0.57	0.63	-9.5
Sesamum	0.00*	0.18	0.25	-28.0
Linseed	2.75	1.80	2.05	-12.2
Others	0.13	0.14	0.19	-26.3
Total Oilseeds	73.19	67.05	63.15	6.2

Source: MoA, GOI

Soybean

Soybean fell on government's step on reduction in import duty on crude palm oil by 10% leading to cautious buying and bargain hunting by the oilseeds crushers during the period under review.

Besides, weak domestic soymeal demand, lower than expected overseas meal exports remained bearish for the local soybean market.

The average weekly soybean plant delivery prices at Indore cash market fell by -1.5% to Rs, 4404 a quintal from Rs. 4471 a quintal in the previous week.

Soybean Processors Association has requested the government to maintain the existing duty structure on soybean oil and sunflower seed oil in the interest of Indian oilseed farmer, as reduction will benefit only the importers and exports of the edible oil. SOPA has citing the recent case where Indonesia has raised the export duty on CPO by US \$30 per tonne immediately after Indian government reduced the import duty by 10% on CPO.

However, bullish global soy supply outlook on downward revision of soybean production estimates in South America (-2.0 MnT), reduction in US soybean production estimate by USDA in past couple of months and likely fall in the US soybean inventories (7- year low) in August 2021 and expected world soybean consumption to exceed production in 2020/21 remained supporting factor for the international soy complex.

Brazil's soybean sowings is above 85.0% complete, a 10% week-on-week increase that puts the campaign ahead of last season by 1.5%.

According to China's custom data, China's total soybean imports in 2020 will likely range between 101-105 million tonnes, compared to last year's 88.6 million tonnes.

China imported 83 million tonnes of soybeans during January-October, up 17% from same about 9.7 million tonnes of soybean arrived in November 2020 and another 7.8 million tonnes will heading to China in December.

Agriwatch has estimated its India's 2020/21 soybean output estimate to 10.7 million tonnes, up 22% from 8.74 million tonnes in 2019/20. USDA has pegged it at 11.2 million tonnes,

SOPA has pegged India's 2020 soybean estimate at 10.45 million tonnes down from 9.31 million tonnes estimated for 2019. The yield is estimated at 883 kg/ha vs 865 kg/ha for the same period.

India had imported 2,77,955 metric tonnes of soyoil in October 2020 to meet the supply gap but the figure is, down 29%, compared to 3,94,086 metric tonnes in September 2019.

Besides, during the oil year (Nov-Oct), India's edible oil imports for the year is down by 12% at 13,175,446 metric tonnes compared to 14,913,407 metric tonnes.

The decline in imports will support to the domestic soybean crushing, but this seems short lived as import parity for soyoil may lose the opportunity after peak soybean crushing window.

The average weekly soybean plant delivery prices at Indore cash market fell by -1.5% to Rs, 4404 a quintal (Rs 4300-4520/Qtl) from Rs. 4471 a quintal (Rs 4,300 – 4,615/Qtl) a week ago.

The arrivals of bean fell to 5,60,000 bags in the cash market yards of Madhya Pradesh, during the week against 8,45,000 bags a week ago.

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 firm bias on fall in soyoil imports and signs of recovery in the soymeal exports in recent months.

International:

Brazil's Ministry of Economics said that it would scrap tariffs on soybean and corn imports from countries outside the Mercosur trade bloc until early next year to curb food inflation, as these are the major contributors.

According to Safras & Mercado the tariffs suspension in Brazil is likely to push soy imports to a maximum of 1 million tonnes this year, as compared with a current projection of 850,000

Argentina has temporarily slashed soybean export duty by 3% points to 30% to help stimulate trade, as the country struggles with recession and declining foreign reserves.

Soyoil and soymeal export taxes, which had been at 33%, will fall to 28% in October, then rise to 29.5% in November, 30% in December and 31% in January, as planned by the Economy Ministry.

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.

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 (131.5 Mn T), Datagro (131.69 Mn T), Celeres (131.4 Mn T), AgRural (131.3 Mn T) and Conab (133.7 Mn T) and USDA has pegged it at 133 Mn T currently.

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.

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 demand will continue to lend support to the international soy prices during the season.

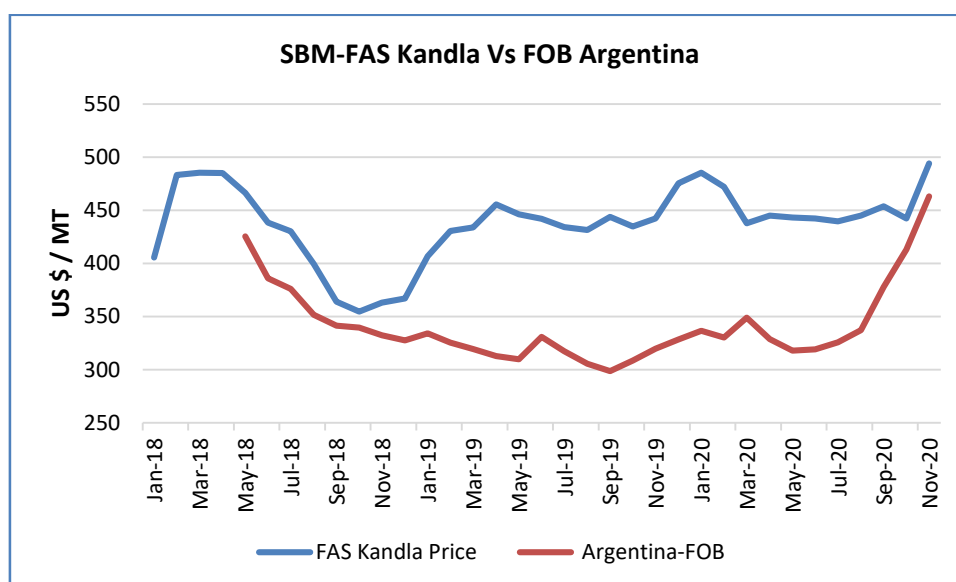
The international soybean prices are expected to feature range bound movement with firm bias on bullish supply outlook on dry weather condition in South America and strong Chinese soybean demand.

Soymeal

The domestic soymeal posted mild gains by +0.3% on export enquiries. The gains were despite fall in soybean by 2% compared the previous week.

However, the domestic demand for soymeal is still weak on decline in demand from poultry sector which is below pre-COVID levels.

The Argentine soymeal prices have got dearer in last couple of months due to lean season, this has narrowed down the price spread of India vs Argentina, opening some exports window for India in last recent while.



World exports of soymeal are estimated to fall by 0.4-0.5 Mn T from a year ago in Oct-Dec 2020. Shipments from South America are even seen declining by 1.1 Mn T, mainly due to reduced crushings in Brazil and Argentina.

The international soy market is strong on bullish global supply scenario due forecast to lower than expected soybean production and likely fall in the US soy inventories in August 2021 followed by the spree Chinese buying.

In a rare event, Brazil has been importing soybean on and off after it's inventories dried up before new crop supplies come to the market, to meet its exports commitments.

India's October 2020 soymeal exports improved by 89% to 120,290 metric tonnes compared to 63,800 metric tonnes in the same period last year. Further, it improved by 2.5% to 438,205 metric tonnes in aggregate, during the last six months (Apr.-Oct.) of financial year 2020-21 compared to 427,701 metric tonnes during the corresponding period last year.

India's export of oilmeals for the month of October 2020 is reported at 317,394 metric tonnes compared to 238,992 metric tonnes in October 2019 i.e. up by 33%.

The overall export of oilmeals during April to October 2020 is also reported up by 6% at 1,617,528 metric tonnes compared to 1,526,471 metric tonnes during the same period last year.

US has turned out to be potential market for Indian organic soymeal. US was the largest importer of soymeal of Indian origin. In October 2020 India has shipped 131,394 metric tonnes of soymeal to the country. US is the largest producer of Genetically Modified (GM) soybean in the world, looking to India for supply of organic soybean meal.

In-spite of tough competition in world market, export of rapeseed meal and ricebran extraction performed well, during the last seven months of financial year 2020-21.

The export of rapeseed meal is reported at 729,799 metric tonnes against last year 607,786 metric tonnes during the same period i.e. up by 20%, and ricebran extraction is reported at 229,712 metric tonnes against last year 108,160 metric tonnes i.e. more than doubled (112%), higher processing of rapeseed oilcake and de-oiled ricebran increased availability for the export. The export of soybean meal is stagnant, while export of castorseed meal is still suffering.

The domestic weekly average soymeal prices at Indore fell to Rs 33,033/MT and was quoted between Rs 32,500 – 33,300/MT compared to the weekly average of Rs 32,950/MT traded between the price ranges of Rs 32,500 – 33,500/MT previous week.

At Latur soymeal prices fell to Rs 34,500 – 36,000/MT from Rs 34,500 – 36,500/MT a week ago and in Nanded it was quoted low at Rs. 34,000 – 35,000/MT compared to Rs. 34,000 – 35,700/MT a week ago. Besides, in Kota, the meal too fell to Rs 34,000 – 36,500/MT compared to Rs 34,200 – 36,000/MT previous week.

India's Y-o-Y soy meal prices, Indore, are currently lower. Soy meal Indore was quoted higher between Rs 32,500 – 33,300/MT during the week compared to Rs 31,800 – 32,700/MT during the corresponding period last year.

The soy meal prices (Indore) are likely to feature range-bound movement between Rs. 32,000 – 33,000/MT on slack in demand.

Previous updates:

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.

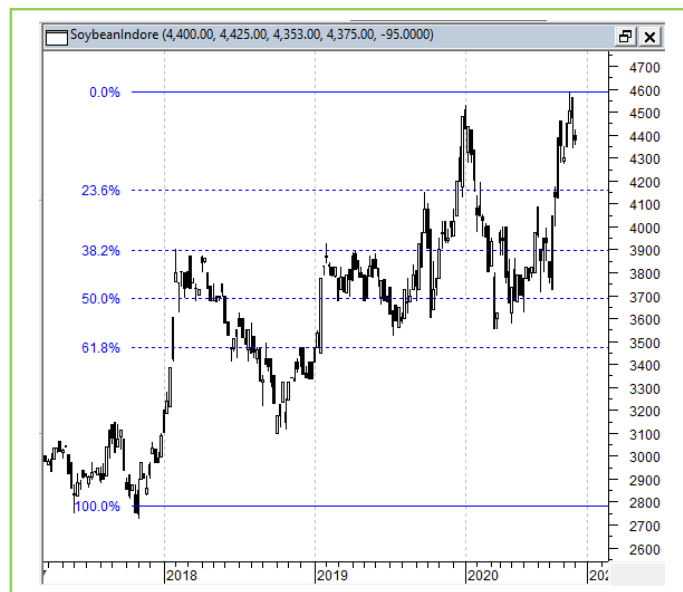
The poultry sector consumes 60% of the soymeal in India and there are no takers for it leading around half of the processing units being shut.

Technical Analysis:

NCDEX Soybean Futures



Soybean Spot, Indore



*Note: Daily Chart

Support & Resistance NCDEX Soybean - Jan. contract

S1	S2	PCP	R1	R2
4150	4050	4383	4600	4700

- Soybean fell on selling pressure in the market.
- Prices closed above 18-day EMA.
- RSI and stochastic are easing in the neutral zone.
- MACD is falling in the positive territory.
- The prices are expected to feature losses in the coming week.
- Trade Recommendation (NCDEX Soybean – Jan.) Week: **SELL** Below 4390. Levels: T1 – 4290; T2- 4190, SL - 4450.

Rapeseed - Mustard Seed

Rapeseed-mustard extended losses, as expected, on expected higher sown area under the seed this season and decline in some demand for the mustard oil after the oil prices skyrocketed and marked all-time levels.

Besides, Indian government's decision to slash the import duty on crude palm oil by 10% to 27.5% from 37.5% earlier remained bearish for the rapeseed-mustard. The crude palm oil prices influence the local rapeseed-mustard and mustard oil prices.

Many households have partially started to divert their demand to the other cheaper edible oil alternates from mustard oil after the prices got dearer and posted all-time high.

The rapeseed-mustard planting is in full swing and we expect area under the seed to increase by 10% to 76 lakh hectares this season from 69 lakh hectares last year.

In the latest official rabi oilseeds planting report dated 04 December 2020, by the Ministry of Agriculture, the rapeseed-mustard sowing is reported up by 8% at 61.82 lha compared to 57.41 lha during the corresponding period of last year.

Further, India didn't import rape oil (canola) in the month of October 2020 in anticipation of decline in the demand while the imports of the same during April-October 2020 were down by 7% at 55,036 metric tonnes compared to 59,171 metric tonnes during the same period in the previous season.

Again, of the total oilmeals' exports from India, rapeseed meal contributes the highest in volume.

India's rapeseed extract exports in October 2020 surged by 6% to 1,01,909 metric tonnes compared to 96,442 metric tonnes during the corresponding period last year.

Besides, India's exports for rapeseed extract during April-October 2020 was up 20% at 7,29,799 metric tonnes compared to 6,07,786 metric tonnes during the same period previous marketing season.

NAFED and HAFED have been gradually disposing rapeseed-mustard. The Nafed has sold about 10.0 lakh tonnes of old and new stocks while Hafed has offloaded around 3.5 lakh tonnes of the seed of the total 5.30 lakh tonnes procured by the agency this year.

The all India rapeseed-mustard arrivals improved week-on-week and were reported at 5.05 lakh bags during the week compared to around 6.0 lakh bags, previous week. The supplies for the same were 8.65 lakh bags during the corresponding period last year.

RM seed prices fell by -1.9% to Rs 6,000 – 6,200 a quintal from Rs 6,050 – 6,355 a quintal previous week and Rs 4,552 – 4,605 a quintal during the corresponding period last year in Jaipur.

The rapeseed-mustard meal fell by -1.4% to the weekly average price of Rs. 2595/qtl compared to the the weekly average price of Rs. 2632/qtl previous week.

At NCDEX futures, the January contract rapeseed-mustard declined to 5,813/Qtl compared to 5,801/Qtl previous week.

Previous Updates

Director, Indian Council of Agricultural Research – Directorate of Rapeseed Mustard Research, expects productivity of the rapeseed-mustard to improve in 2020-21 from last year's level of 1.42-1.48 tonnes per ha, on adequate soil moisture and better package of practices.

The MSP for rapeseed-mustard has been increased in line with the recommendations of Swaminathan Commission to Rs. 4,650 per quintal for marketing season 2021-22 from Rs. 4,425 per quintal in 2020-21 an increase of Rs. 225 a quintal.

India had imported rapeseed oil (canola) of about 20,801 metric tonnes in August for the first time in last four months.

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.

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.

Recent and expected favorable weather have raised 2020/21 Australia rapeseed outturn by above 2% to 3.4 from 3.0 million tons earlier.

Strategie Grains expects the planted area for the 2021 rapeseed crop in the European and Britain down compared with the current year harvest.

The farmers in Europe once again faced dry planting conditions during the late-summer sowing window for rapeseed, mainly in France.

Strategie Grains has kept this year's weather-hit rapeseed outturn for EU plus Britain unchanged at 17.1 million tonnes, slightly below 17.3 million tonnes estimated for 2019.

The consultancy has estimated EU and Britain rapeseed 2020-21 import to record 6.3 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 weak bias, as the stockists and the solvent extractors refrained from aggressive buying after mustard oil demand witnessed gradual fall followed by steep rise in the prices in the cash market.*

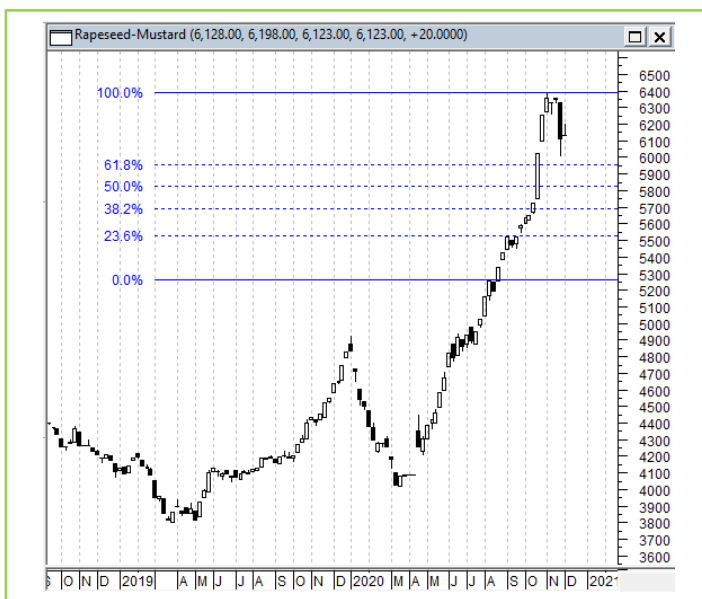
Technical Analysis:

NCDEX RM Seed Futures



*Note: Daily Chart

RM Seed Spot, Jaipur



Support & Resistance NCDEX RM Seed – Jan. contract

S1	S2	PCP	R1	R2
5400	5300	5813	6140	6306

- RM seed fell on selling pressure, during the week.
- Prices closed below 18-day EMA.
- RSI and stochastic are falling in the neutral zone.
- MACD is falling in the positive territory.
- The prices are expected to feature losses during the week.
- Trade Recommendation (NCDEX Rapeseed-Mustard – Jan.) Week: **SELL** Below 5820. Levels: Target – 5720; T2- 5620, SL – 5880.

Annexure

Oilseed Prices at Key Spot Markets:

Commodity / Centre	Prices (Rs/Qtl)				Change
Soybean	03-Dec-20		27-Nov-20		
	Low	High	Low	High	
Indore –Plant	4325	4380	4300	4400	-20
Indore–Mandi	4000	4300	4000	4200	100
Nagpur-Plant	4330	4355	4300	4325	30
Nagpur – Mandi	3730	4250	3600	4215	35
Latur – Mandi	3975	4160	3820	4120	40
Akola – Mandi	3150	4225	3500	4200	25
Kota-Plant	4300	4350	4250	4275	75
Kota – Mandi	4200	4300	4100	4225	75
Bundi-Plant	4275	4325	4230	4255	70
Bundi-Mandi	4000	4250	3930	4180	70
Baran-Plant	4275	4325	4380	4480	-155
Baran-Mandi	4225	4275	4140	4240	35
Bhawani Mandi Jhalawar–Plant	4300	4380	4370	4470	-90
Jhalwar-Mandi	4150	4200	4050	4170	30
Rapeseed/Mustard					
Jaipur-(Condition)	6120	6125	6000	6005	120
Alwar-(Condition)	5600	5700	5520	5570	130
Sri Ganganagar-(Non-Condition)	5200	5300	5250	5350	-50
New Delhi–(Condition)	5950	5975	5850	5900	75
Kota-(Condition)	5300	5400	5430	5530	-130
Agra-(Condition)	6000	6190	5857	6048	143
Neewai-(Condition)	5725	5825	5500	5600	225
Hapur (UP)-(Condition)	5850	5900	5800	5850	50
Groundnut Seed					
Rajkot	900	900	975	975	-75
Sunflower Seed					
Gulbarga	3000	4550	3250	4250	300

Latur	NA	NA	3000	3400	-
Sholapur	4900	5400	4800	5300	100
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	03-Dec-20	27-Nov-20	
Madhya Pradesh	100000	100000	Unch
Maharashtra	90000	70000	20000
Rajasthan	40000	30000	10000
Bundi (Raj)	800	5000	-4200
Baran (Raj)	6000	6000	Unch
Jhalawar (Raj)	4000	7000	-3000
Rapeseed/Mustard			
Rajasthan	40000	50000	-10000
Alwar	500	500	Unch
Sri Ganganagar	300	500	-200
Kota	800	800	Unch
Groundnut Seed			
Rajkot (Gujarat)	3600	4200	-600
Sunflower Seed			
Sholapur (Maharashtra)	800	800	Unch

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

Oilseeds	3-Dec-20	27-Nov-20	Change
Groundnut Kernel	7000	7050	-50
Gr. Bolds 60/70	7650	7750	-100
Gr. Javas 60/70	8550	8650	-100
Gr Javas 70/80	0	0	Unch
Gr.Javas 80/90	7550	7650	-100
KardiSeed 2% Exp Qly	4050	4050	Unch
Sesame White 98/2/1 FM	9800	9800	Unch
Whitish 95/5/FFA/1FM	9500	9500	Unch
Brown 48/2 FFA/4 FM	9000	9000	Unch
Brown 48/3 FFA/4 FM	8400	8400	Unch

Brown 48/4 FM/* No FFA Guarantee	8200	8200	Unch
Sunflower Seed	4500	4500	Unch
Niger Seed (4% FM)	7200	7200	Unch

MSP of Rabi Oilseeds for Marketing Season 2021-22- GOI

Sl. No	Crops	MSP for Rabi 2021-22	MSP for Rabi 2020-21	Increase in MSP (Absolute)
1	Rapeseed-mustard	4,650	4,425	225
2	Safflower	5,327	5,215	112

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 Rabi crops for marketing season 2021-22.

Government has increased the MSP of Rabi crops for marketing season 2021-22, to ensure remunerative prices to the growers for their produce. This increase in MSP is in line with the recommendations of Swaminathan Commission.

Among the Rabi oilseeds the MSP for rapeseed-mustard has been increased to Rs. 4,650 per quintal for marketing season 2021-22 from Rs. 4,425 per quintal in 2020-21 an increase of Rs. 225 a quintal.

The MSP of safflower to Rs. 5,327 a quintal from earlier Rs. 5,215 per quintal an increase of Rs 112 per quintal.

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.185 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 at 25.73 Mn T vs 22.32 Mn in 1st Adv Est. for 2020-21- GOI

The 1st Advance Estimates of production of oilseeds for 2020-21 have been released by the Department of Agriculture, Cooperation and Farmers Welfare on 22nd September, 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 Kharif Oilseeds during 2020-21 is as under:

Kharif Oilseeds – 257.29 lakh tonnes in 2020-21 vs 223.16 lakh tonnes in 2019-20

- Groundnut – 95.35 lakh tonnes vs 83.67 lakh tonnes in the 4th Advance Estimate.
- Castorseed – 17.24 lakh tonnes vs 18.49 lakh tonnes
- Sesamum – 7.49 lakh tonnes vs 7.50 lakh tonnes
- Nigerseed – 0.63 lakh tonnes vs 0.42 lakh tonnes
- Soybean – 135.83 lakh tonnes vs 112.15 lakh tonnes
- Sunflower – 0.75 lakh tonnes vs 0.94 lakh tonnes.

The production estimates does not include the Rabi oilseeds' (rapeseed-mustard, safflower, rabi groundnut, rabi sunflower and Linseed) output estimates as its marketing season starts from February.

Sown Area – Kharif Oilseeds, India

In the last official Kharif oilseeds planting report by the Ministry of Agriculture, the total coverage area under Kharif oilseeds is reported at 197.18 lakh hectares, an increase by 9.8% from 179.63 lakh ha in the corresponding period of last year. Of the major oilseeds, soybean sowing is reported up by 6.4% at 121.24 lha compared to 113.95 lha during the corresponding period of last year, groundnut at 50.98 lha vs 39.48 lha, sesamum 14.14 lha vs 13.73 lha, castor seed at 7.92 lha vs 9.44 lha and niger at 1.67 lha vs 2.04 lha, during the same period last year. We feel country's final area under oilseeds to be above normal by 8-9% this season.

Area in Lakh Hectares				
Crop	Normal Area (5 Year Avg.)	2020-21	2019-20	% Change
Groundnut	42.43	50.98	39.48	29.1
Soybean	111.49	121.24	113.95	6.4
Sunflower	1.84	1.23	0.99	24.2
Sesamum	14.13	14.14	13.73	3.0
Niger	2.41	1.67	2.04	-18.1
Castor	9.65	7.92	9.44	-16.1
Total Oilseeds	181.95	197.18	179.63	9.8

Source: MoA, GOI

Sown Area – *Rabi* Oilseeds, India 2019-20

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

Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.asp>

© 2020 Indian Agribusiness Systems Pvt Ltd.