

Oilseeds Weekly Research Report

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Executive Summary

The domestic oilseeds and oilmeals posted gains altogether on India's improved oilmeal exports and waning fear for the import duty cut on the edible oils, after Indian government recently slashed it on crude palm oil.

Good export enquiries for soymeal, rapeseed-mustard meal, groundnut oil and seed remained positive for the local oilseeds and oilmeals.

Soybean extended gains on good crushers' demand to meet the improved overseas soymeal demand and local soyoil demand at wholesale and retail.

Bullish global supply outlook in soybean followed by dry weather in Latin America, which will hit the soybean output in Brazil and Argentina, labour strike in Argentina, good demand from processors and expected 7-year lower US soybean inventories in September 2021 have pushed up the international soy complex lending support to the domestic market too.

Further. The domestic rapeseed-mustard and the meal rebound with subsiding fear for the import duty cut on the edible oils, better rapeseed meal exports and steady mustard oil demand.

The rapeseed-mustard prices improved by +1% also the rapeseed meal edged up by +1%, the soybean posted gains by +2% while the soymeal posted gains by +2% and groundnut seed rose by 5%, all compared to the previous week's level.

We feel the soy complex and rapeseed-mustard complex to feature range bound movement with firm bias on bullish global supply outlook and demand. Besides, groundnut prices will also feature range-bound movement with firm bias on bullish outlook following good overseas demand for Indian seed.

Outlook – Cash Market

Outlook - Soybean (Spot, Indore): The soybean prices will feature range-bound movement with firm bias on renewed buying by the oilseeds' crushers, to meet the improved overseas soymeal demand. 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 4,500 – 4,600 level.

Outlook – Soy meal: Soymeal prices are likely to feature range 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 may help it continue to regain some of the recent decline. Soy meal, Indore is expected to be in the range of 32,800 – 33,500/MT levels during the week.

Outlook - Rapeseed-Mustard (Spot, Jaipur basis): Rapeseed-mustard is expected to feature range-bound movement with firm bias on better rapeseed meal export sales. However, expectation of bigger rapeseed-crop 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

- ❖ In the December'20 report, the USDA has kept US 2020/21 soybean production unchanged to 113.5 million tonnes compared to previous month. It has also kept Brazil's soybean production unchanged at 133.0 million tonnes compared to the last month. Similarly for India the estimates are unchanged at 10.5 million tonnes from previous month. However, it has slashed the Argentina's 2020/21 soybean production to 50.0 million tonnes from 51.0 million tonnes last month.
- ❖ The global 2020/21 soybean production is estimated at 362.1 million tonnes vs 362.6 million tonnes in the last report by USDA.
- ❖ 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.
- ❖ US soybean processors have marked their largest November crush on record of 181.018 million bushels surpassing previous mark of 166.959 million bushels in November 2018. According to data released by the National Oilseed Processors Association (NOPA). However, the figure is down from the record 185.245 million bushels in October 2020 but up from 164.909 million bushels in November 2019.
- ❖ According to the General Administration of Customs data Chinese imports of US soybean in November 2020 more than doubled to 6.04 million tonnes, up 136% from 2.56 million tonnes during the same period last year.
- ❖ The November purchases were also up from 3.4 million tonnes in October 2020. In the first 11 months of the calendar year, China imported 20.05 million tonnes of US soybean, which is up 45% from 13.85 million tonnes bought during the corresponding period last year.
- ❖ Agroconsult has estimated Brazil's 2020/21 soybean production at 133.2 million tonnes versus government estimate of 134.953 million tonnes. Aprosoja, in its recent Brazil's 2020/21 soybean estimate has reduced the output by 2 million tonnes to 127 million tonnes from 129 million tonnes in its previous forecast, due to the month long dryness in the key producing region.
- ❖ 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.

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 79.48 lakh hectares, up 7% from 74.19 lakh ha in the corresponding period of last year. Of the major oilseeds, rapeseed-mustard sowing is reported up by 9% at 71.79 lha compared to 65.72 lha during the corresponding period of last year. Groundnut at 3.38 lha vs 3.55 lha, safflower at 0.51 lha vs 0.48 lha, sunflower at 0.80 lha vs 0.85 lha, sesamum 0.33 lha vs 0.39 lha and linseed at 2.49 lha vs 2.91 lha during the same period last year.

Area in Lakh Hectares

Crop	Normal Area (5 Year Avg.)	As on 24 Dec. 2020	As on 24 Dec. 2019	% Change
Rapeseed/Mustard	59.44	71.79	65.72	9.2
Groundnut	7.28	3.38	3.55	-4.8
Safflower	1.18	0.51	0.48	6.3
Sunflower	2.41	0.80	0.85	-5.9
Sesamum	0.00*	0.33	0.39	-15.4
Linseed	2.75	2.49	2.91	-14.4
Others	0.13	0.18	0.29	-37.9
Total Oilseeds	73.19	79.48	74.19	7.1

Source: MoA, GOI

Soybean

Soybean extended previous gain on better crushers' demand to meet the soymeal and oil demand. The average weekly soybean plant delivery price at Indore edged-up by +2% to Rs. 4485 a quintal compared to Rs. 4385 a quintal previous week.

India's soymeal shipments improved by +28% to 6,36,981 metric tonnes in aggregate, during April -November of financial year 2020-21 compared to 49,7116 metric tonnes during the corresponding period last year.

Soybean Processors Association has urged 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 Indian importers and the exporting countries, and consumers may-not get the benefit.

SOPA has cited 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.

Improved local winter edible oil demand, bullish global soy supply outlook on dry weather in Latin America which will hit the bean output in Argentina and Brazil. Argentine and workers strike after wage talk failed remained bullish for the international soy complex.

CBOT soybean set a new 6-1/2 year high on Thursday 24 December 2020 on dry weather concern and labour strike in Argentina which will curb the soybean supplies from Argentina.

CONAB, in its December 2020 report, has forecast Brazil's 2020/1 soybean production estimate to 134.451 Mn T vs 134.953 Mn T in November 2020 and 124.845 Mn T in 2019/20.

The agency cites dryness as the major factor which has hit the soybean yield this season. The soybean yield projected at 3,522 kg/ha vs 3,528 kg/ha in November forecast and 3,379 kg/ha last year.

Agriwatch has revised 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 against 9.31 million tonnes estimated for 2019. The yield is estimated at 883 kg/ha vs 865 kg/ha for the same period.

We expect India's soymeal exports to improve by 50-60% year-on-year for coming months, after fall in the soybean crushing in Argentina and Brazil after their stocks dried up.

India had imported 2,50,784 metric tonnes of crude soybean oil in November 2020 to meet the supply gap, up +52%, compared to 1,64,750 metric tonnes in October 2020. This is mainly a seasonal surge.

Further, during November 2020, India's edible oil imports fell by -2% to 11,02,899 metric tonnes compared to 11,27,220 metric tonnes same period last year.

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 edged-up by +2% to Rs. 4485 a quintal (Rs 4425-4550/Qtl) from Rs. 4385 a quintal (Rs 4250-4475/Qtl) a week ago.

The arrivals of bean fell to 4,30,000 bags in the cash market yards of Madhya Pradesh, during the week against 4,95,000 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 recover on improved winter edible oil demand and possible soymeal exports opportunities for India, in near-term.

International:

Refinitive's trade flows have recorded 9.7 million tonnes of soybean imports by China during November 2020, the highest volume over the past three years during the same period.

Of the total about 6.8 million tonnes (70%) were shipped from the US which is double compared to October's US soybean imports by China.

China's soybean purchases are likely to remain strong over the next couple of months. It also said, in December, imports from the US will continue to increase to 7.6 million tonnes.

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.

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.

China also imported 2.74 million tonnes of Brazilian soybean in November 2020, down 29% from 3.86 million tonnes same period last year. Brazilian exports during Jan-Nov'20 stood at 63.1 million tonnes, up 19% from 52.84 million tonnes corresponding period last year.

Brazil eliminated import tariffs for soybean and corn on 16th October 2020, seeking to maintain the supply balance amid record domestic prices for both commodities. For soybean, tariff-free imports are valid until 15 January 2021, while for corn the license goes until 31 March 2021.

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.

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

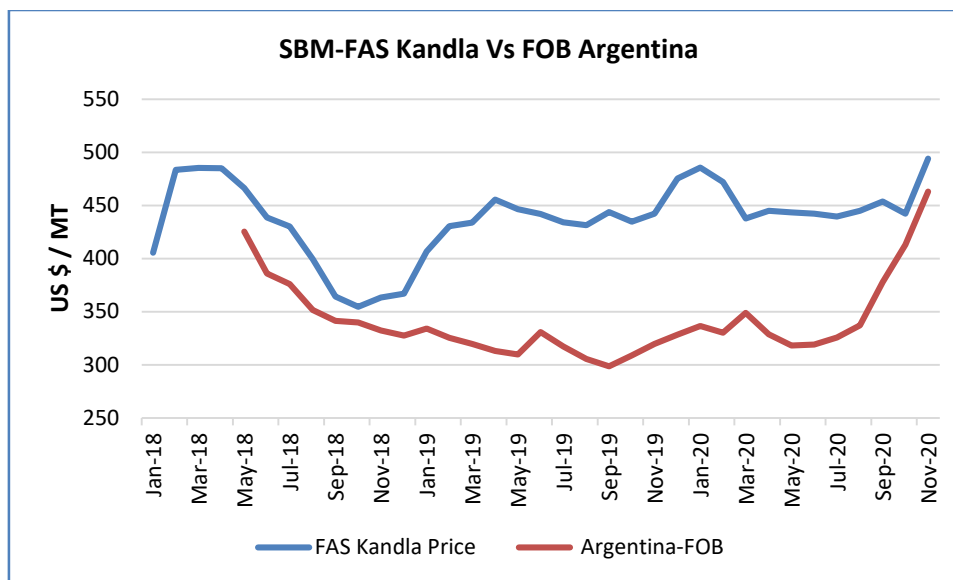
The domestic soymeal extended previous gains and the prices improved by +2% compared to the previous week, in sync with soybean on continued better soymeal exports and improved exports enquiries in recent days.

India's soymeal exports is performing well this season compared to the previous year, mainly due to the global tight supplies.

However, the local demand for soymeal continues to be steady and are below pre-COVID levels on dull demand from poultry sector.

The international soymeal prices are continued appreciating due to the supply concerns and decline in Argentine soybean crushings and shipments in December 2020, following strike at crushing plants and export terminals. It has been 3 weeks since the labours are on strike on wage woes.

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 exports window for India.



As expected, India's soymeal exports improved after lower soybean crushing in Argentina and Brazil leading fresh opportunity for India's export in the same.

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.

India's November 2020 soymeal exports improved by +186% to 1,98,776 metric tonnes compared to 69,415 metric tonnes in the same period last year. Further, the soymeal shipments improved by +28% to 6,36,981 metric tonnes in aggregate, during the last seven months (Apr.-Nov.) of financial year 2020-21 compared to ,49,7116 metric tonnes during the corresponding period last year.

India's export of oilmeals for the month of November 2020 is reported at 3,31,171 metric tonnes compared to 2,08,401 metric tonnes in November 2019 i.e. up by +59%.

The overall export of oilmeals during April to November 2020 is also reported up by +12% at 19,48,699 metric tonnes compared to 17,34,875 metric tonnes during the same period last year.

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 in November'20 is reported at 45,050 metric tonnes against last year 73,235 metric tonnes during the same period i.e. down by -45%, and ricebran extraction is reported at 50,089 metric tonnes against last year 12,157 metric tonnes i.e. more than quadrupled (312%), higher processing of de-oiled ricebran increased availability for the export.

The domestic weekly average soymeal prices at Indore improved to Rs 32,683/MT and was quoted between Rs 32,500 – 33,000/MT compared to the weekly average of Rs 32,067/MT traded between the price ranges of Rs 31,500 – 33,000/MT previous week.

At Latur soymeal prices improved to Rs 35,000 – 36,000/MT from Rs 33,500 – 35,000/MT a week ago and in Nanded it was quoted lower at Rs. 34,500 – 34,800/MT compared to Rs. 33,700 – 35,000/MT a week ago. Besides, in Kota, the meal slightly surged to Rs 33,700 – 34,200/MT compared to Rs 32,800 – 34,000/MT previous week.

India's Y-o-Y soy meal prices, Indore, are currently lower. Soy meal Indore was quoted between Rs 32,500 – 33,000/MT during the week compared to Rs 34,500 – 35,500/MT during the corresponding period last year.

The soy meal prices (Indore) are likely to feature range-bound movement between Rs. 33,000 – 34,000/MT on better export demand.

Previous updates:

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 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 have 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
4200	4100	4501	4800	4900

- Soybean extended gains on buying support 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 – Jan.) Week: **BUY** Above 4490. Levels: T1 – 4590; T2- 4690, SL - 4430.

Rapeseed - Mustard Seed

Rapeseed-mustard rebound on continued and steady mustard oil demand and overall better overseas rapeseed meal exports.

However, the gains were limited due to the expectation of bigger rapeseed-mustard crop and partial demand diversion to the other cheaper edible oil alternates from the mustard oil by some households after it skyrocketed in recent while.

The Solvent Extractors' Association (SEA) of India has urged the government to include rational provision in ASEAN agreement to restrict or regulate the imposition of export duty by the palm oil exporting countries. SEA feels that this will ensure a level-playing field for both the countries that export and import palm oil.

In a letter to its members, Atul Chaturvedi, President of SEA, said that there is always a bound rate for imposing highest export duty on palm oil and products imported by India under ASEAN agreement and Comprehensive Economic Cooperation Agreement with Malaysia.

He said the palm oil exporting countries seem to be free to impose export duty and levy as agreements overlook this issue. Indonesia has imposed \$33 as export duty plus \$180 as a biodiesel levy making crude palm oil (CPO) expensive. Following this, India is compelled to pay high price for the same.

To support their local industry, that country has kept export duty and levy low on finished goods such as RBD palmolein.

Mr. Chaturvedi said, "Indirectly, India is subsidising their export duty and levy. Also, Malaysia is likely to impose 8 per cent export duty on export of CPO with effect from January 1 2021.

Higher palm oil imports by India has always hit the domestic mustard oil demand and the rapeseed-mustard crush margins.

In the latest official rabi oilseeds planting report dated 24 December 2020, by the Ministry of Agriculture, the rapeseed-mustard sowing is reported up by 9% at 71.79 lha compared to 65.72 lha during the corresponding period last year.

We expect the final acreage under the seed to increase by 8-9% to around 75 lakh hectares, this season from 69 lakh hectares last year.

Further, India didn't import rape oil (canola) in the month of November 2020 in anticipation of decline in the demand.

India's exports for rapeseed meal during April-November 2020 was up 312% at 50,089 metric tonnes compared to 12,157 metric tonnes during the same period previous marketing season.

However, India's export of rapeseed meal in November'20 is reported at 45,050 metric tonnes against last year 73,235 metric tonnes during the same period i.e. down by -45%.

HAFED, official spokesperson said the High Commissioner of Malawi assured that mutual cooperation between the country and Hafed for the export of rice and mustard oil would be materialized in near future.

NAFED and HAFED have been gradually disposing rapeseed-mustard. The Nafed has sold about 12.0 lakh tonnes of old and new stocks while Hafed has offloaded around 4 lakh tonnes of the seed of the total 5.30 lakh tonnes procured by the agency this year.

The all India rapeseed-mustard arrivals slightly edged-up week-on-week and were reported at 4.3 lakh bags during the week compared to around 4.0 lakh bags, previous week. The supplies for the same were 7.50 lakh bags during the corresponding period last year.

RM seed prices edged up by +1% to the weekly average of Rs 5,818 a quintal from Rs 5,777 a quintal previous week and Rs 4,744 a quintal during the corresponding period last year in Jaipur.

The rapeseed-mustard meal too posted gain by +1% to the weekly average price of Rs. 2,740/qtl compared to the the weekly average price of Rs. 2,439/qtl previous week.

At NCDEX futures, the January contract rapeseed-mustard declined to 5,648/Qtl compared to 5,470/Qtl previous week.

Previous Updates

The Food Safety and Standards Authority of India (FSSAI) has withdrawn the order prohibiting blending of mustard oil.

The food regulator has until now allowed 20% blending in mustard oil under the standards for blended edible oil under FSS (Food Product Standards and Food Additives) Regulations. The decision to withdraw the September order was taken after stakeholders made a representation to the authority.

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.

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.*

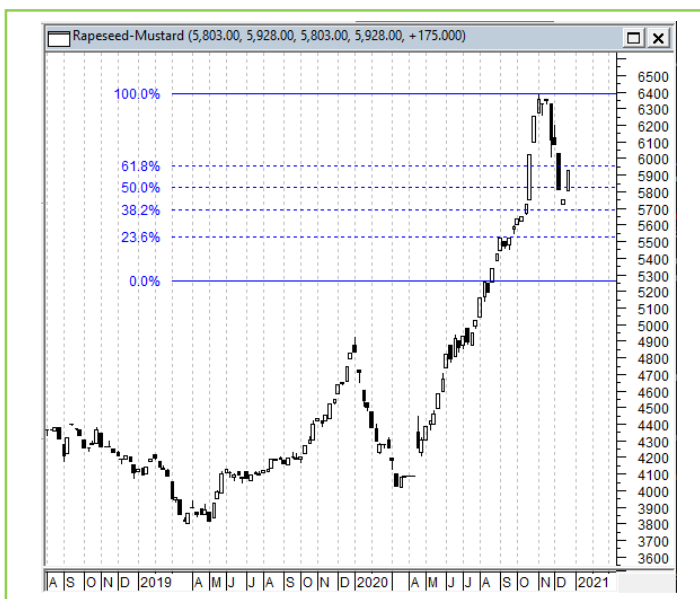
Technical Analysis:

NCDEX RM Seed Futures



*Note: Daily Chart

RM Seed Spot, Jaipur



Support & Resistance NCDEX RM Seed – Jan. contract

S1	S2	PCP	R1	R2
5250	5120	5648	5950	6050

- RM seed rebound on good buying support, during the week.
- Prices closed below 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 during the week.
- Trade Recommendation (NCDEX Rapeseed-Mustard – Jan.) Week: **BUY** Above 5640. Levels: Target – 5740; T2- 5840, SL – 5580.

Annexure

Oilseed Prices at Key Spot Markets:

Commodity / Centre	Prices (Rs/Qtl)				Change
Soybean	24-Dec-20		18-Dec-20		
	Low	High	Low	High	
Indore –Plant	4500	4520	4425	4500	20
Indore–Mandi	4200	4450	4100	4400	50
Nagpur-Plant	4450	4510	4450	4500	10
Nagpur – Mandi	3850	4330	4000	4430	-100
Latur – Mandi	4070	4350	3950	4335	15
Akola – Mandi	3250	4200	3000	4285	-85
Kota-Plant	4400	4450	4425	4475	-25
Kota – Mandi	4250	4400	4225	4375	25
Bundi-Plant	4450	4500	4375	4465	35
Bundi-Mandi	4100	4350	4075	4325	25
Baran-Plant	4450	4500	4300	4400	100
Baran-Mandi	4300	4400	4000	4300	100
Bhawani Mandi Jhalawar–Plant	4450	4500	4335	4435	65
Jhalwar-Mandi	4300	4400	4200	4250	150
Rapeseed/Mustard					
Jaipur-(Condition)	5925	5930	5725	5730	200
Alwar-(Condition)	5550	5650	5250	5350	300
Sri Ganganagar-(Non-Condition)	5100	5250	5125	5225	25
New Delhi–(Condition)	5600	5650	5525	5530	120
Kota-(Condition)	5200	5300	5000	5100	200
Agra-(Condition)	6000	6095	5667	5857	238
Neewai-(Condition)	5700	5850	5300	5400	450
Hapur (UP)-(Condition)	5850	5900	5650	5700	200
Groundnut Seed					
Rajkot	1000	1000	900	900	100
Sunflower Seed					
Gulbarga	3500	4125	NA	NA	-

Latur	NA	NA	0	0	-
Sholapur	5500	5700	4900	5400	300
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	24-Dec-20	18-Dec-20	
Madhya Pradesh	120000	90000	30000
Maharashtra	150000	140000	10000
Rajasthan	25000	35000	-10000
Bundi (Raj)	1300	150	1150
Baran (Raj)	1000	2000	-1000
Jhalawar (Raj)	3000	2000	1000
Rapeseed/Mustard			
Rajasthan	30000	35000	-5000
Alwar	700	350	350
Sri Ganganagar	400	600	-200
Kota	700	700	Unch
Groundnut Seed			
Rajkot (Gujarat)	5200	4800	400
Sunflower Seed			
Sholapur (Maharashtra)	400	1000	-600

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

Oilseeds	24-Dec-20	18-Dec-20	Change
Groundnut Kernel	6950	6850	100
Gr. Bolds 60/70	8100	7700	400
Gr. Javas 60/70	9100	8700	400
Gr Javas 70/80	NA	0	-
Gr.Javas 80/90	8000	7600	400
KardiSeed 2% Exp Qly	4200	4150	50
Sesame White 98/2/1 FM	9400	9800	-400
Whitish 95/5/FFA/1FM	9200	9500	-300

Brown 48/2 FFA/4 FM	8600	9000	-400
Brown 48/3 FFA/4 FM	8100	8400	-300
Brown 48/4 FM/* No FFA Guarantee	7600	8000	-400
Sunflower Seed	5300	5200	100
Niger Seed (4% FM)	6800	6900	-100

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

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