

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

Soybean and soymeal inclined at various trading centers amid mixed pace of supplies in this week, buying at lower level by millers, crushers and short covering in futures market supported prices. However, Weak domestic and international market sentiments may put more pressure in oilseeds segments in coming weeks.

The government has increased the MSP of Soybean by 1.80 per cent, to Rs 3,950/quintal from Rs 3,880/quintal and for groundnut by 5.21 per cent to Rs 5,550/quintal from Rs 5,275/quintal. Good price hike in retail and wholesale prices for oilseeds encouraged government to increase MSP for 2021-22. Soyoil retail price increased 35% so far compared to last year .

The soybean plant average delivery price at Nagpur is quoted 2% up at Rs. 7,258 /qtl as compare to last week price at Rs. 7,116/qtl. The domestic soymeal inclined by 4.2 % compared to the previous week, However the prices may decline in coming weeks as US government provide relief to U.S. oil refiners from mandates requiring the blending of biofuels including soy-based biodiesel.

However, groundnut's market moved slightly down after weak supplies. Farmers and traders have limited stocks in hand. Prices may come down in coming days following weakness in oilseeds markets.

Rapeseed Mustard increased by 2% to Rs.6984 /Qtl this week as compared to Rs 6842/Qtl last week. Rapeseed oilcake traded 2.3% up as compared to last week, strength in Rapeseed supported price on upper side.

We feel the soy and rapeseed-mustard complex to trade steady to firm tone on decent buying activities of crushers and retailers. However, increase in export demand of soymeal and rapeseed meal may support meal price to rise from the current level in coming days. China is the regular buyers in global markets to fulfil its domestic demand of meal, which may also support meal prices to rise. However weak figures in exports of oilmeals in June'21 limited the gains.

India's export of oilmeals for the month of May 2021 is reported at 228,242 metric tonnes compared to 248,007 metric tonnes in April 2020 i.e. down by -8%.

Arrival of mustard seed in mandis has decreased at all places in the country which may support the prices, shortage of certified seed has been reported from maharastra and Madhya Pradesh which account for 89% of total soybean production which may impact prices and production. In last few days monsoon was not favourable as expected which is major concern for the soybean growers.

Outlook – Cash Market

Outlook - Soybean (Spot, Nagpur): The soybean prices are expected to be in downside due to weak domestic and international clues as US government provide relief to U.S. oil refiners from mandates requiring the blending of biofuels including soy-based biodiesel. The prices (Nagpur, plant basis) are expected to be in range of Rs 6600/Qtl – Rs 7300/Qtl.

Outlook – Soy meal:

The soymeal exports numbes in may witnessed weakness which was discounted in prices. However weakness in soybean may countinue in near term. The soy meal prices (Indore) are likely to feature range-bound movement between Rs. 57,000 – 61,000 /MT on good local and export demand, for medium-term.

Outlook - Rapeseed-Mustard (Spot, Jaipur basis): Arrival of mustard seed in mandis has decreased at all places in the country which may support the prices However, Rapeseed-mustard is expected to feature range-bound movement on weak demand at the higher price level. The seed prices are likely to witness the price levels between 6,800 – 7,100/Qtl. in short-run.

International Highlights

- ❖ CBOT July soybean futures closed 36 cents lower at \$ 13.46 1/4. New crop November soybean futures also closed 7 cents down at \$ 12.84 3/4, on Friday.
- ❖ US soybean planting, as on June 20, 2021, stood at 97% up from 96% same period last year however up from 5-year average of 94%. Further, the US soybean emerged by 91% up from 88% same period last season however up from 5-year average of 85%.
- ❖ CONAB has once again raised Brazil's 2020/21 soybean crop estimate to 135.9 million tonnes vs 135.4 million tonnes in May'21 forecast and 124.845 million tonnes in 2019/20.
- ❖ According to the data released by NOPA, US crushed drops to 160.310 million bushels of soybeans in April 21, second consecutive month of reduction also slightly less than expected. The soybean processing was down from 171.75 million bushels in April 2020 also lower from 177.98 million bushels in March 2021. The market is expected lower US soybean crush figure for May'21 on dwindling stocks.
- ❖ Buenos Aires Grain Exchange has kept the Argentina 2020/21 soybean crop harvest estimate higher at 43.5 million tonnes vs 43 million tonnes from its previous estimates in expectation of better crop yield. So far, farmers have harvested total 91.4% of this season's soy crop.
- ❖ As per recent USDA June'21 report, Soybean production in the world is likely to increase by 6% to 386 million tonnes in next season (September- 2021- August 2020) in expectation of higher crop size in US and India. Total crop size in India may stand higher by 750,000 tonnes to 11.2 Million tonnes against 10.45 Million tonnes in this season. Higher soybean prices in this season will encourage farmers in India to cover higher soybean area.
- ❖ As per USDA report, China has imported higher soybean in May 2021-22 as compared to last year. The country has imported oilseeds at 107.25 million metric tonnes in May 2021-22 against 104.60 million metric tonnes in previous year.

Soybean

Soybean surged from lower level as expected amid tight supply at various trading center. Crushers, millers and traders showed buying interest at lower levels. However, Import duty on edible oils may reduce which may put pressures on edible prices and also affect soy prices. Higher production estimates may pull soybean lower, volatility in soybean oil amid worries about biofuel law might drag soybean down in coming days.

GOI announced MSP for 2021-2022 marketing year, soybean Rs 3950 (70 Rs. up). India's soybean area is expected to rise 9.9% on year to a record high of 13.3 mln ha in the crop year.

Kharif sowing momentum has accelerated in key sections of Gujarat, Rajasthan, and Maharashtra due to favorable meteorological conditions. As of 21 June 2021, a total of 689,472 hectares of kharif crops had been planted in Gujarat during the ongoing kharif sowing season, with soybean planted on 4,191 hectares. While, the soybean planting in Rajasthan has been done at 47,780 hectares as on 21st June 2021. However, in Madhya Pradesh also planting has been commenced but bad monsoon equation might affect soybean germination.

Agriculture Minister Narendra Singh Tomar launched a seed minikit programme to enhance production and productivity of pulses and oilseeds by distributing high yielding varieties of seeds of oilseeds to farmers which is provided by the central agencies National Seeds Corporation (NCS), NAFED and Gujarat State Seeds Corporation and wholly-funded by the Centre through the National Food Security Mission. The supply of minikit seeds will last till June 15, 2021 so that the seeds reach the farmers before the Kharif sowing starts. Government of India likely to distribute more than eight lakh soybean seed minikits and more than seventy thousand groundnut minikits free of cost to farmers.

Slow monsoon progress and lesser availability of certified soybean seeds may impact kharif sowing of the oilseed in Madhya Pradesh and Rajasthan, top two producers of the crop in the country.

1.3 million tones soy seed procured in MP to distribute among farmers Vs 1 million tons last year, more than 50% Soybean planting completed in parts of maharashtra, rajasthan and MP, However seed shortage may limit production.

CBOT July soybean futures closed 36 cents lower at \$ 13.46 1/4. New crop November soybean futures also closed 7 cents down at \$ 12.84 3/4, on Friday.

In June'21 released data, the global 2021/22 soybean production estimate kept higher at 386 million tonnes vs 363.18 million tonnes in the previous year. Total crop size in India may stand higher by 750,000 tonnes to 11.2 Million tonnes against 10.45 Million tonnes in this season. Higher soybean prices in this season will encourage farmers in India to cover higher soybean area.

As per USDA, India soybean crush is kept higher by 300,000 tons to 9.7 million on account of higher crop prospects. Continued growth in domestic soybean meal consumption will pressure soybean meal exports to 1.7 million tons, lower than the previous year but near the 5-year average. Soybean oil imports are unchanged at 3.7 million tons as rising domestic supplies and high prices slow import demand.

Strong Chinese demand lower than expected US soybean planting intentions of 87.6 million acres, though it is 5% higher compared to the previous year, and lower US soybean inventory number of 1.56 billion bushels in March 01 which 31% lower compared to same period last year kept the international soybean market strong.

For soybeans, the world ending stocks are estimated at 91.09 mmt. for 2021/22 vs. 87.99 mmt. in 2020/21.

Further, In the USDA's Foreign Agriculture Service post in Beijing China's soybean imports are forecast to reach a record 103 million tonnes in the marketing year 2021/22 and estimated 100 million tonnes in 2020/21 to meet the feed demand from the livestock and poultry sectors.

The USDA attache has projected US MY 2021/22 soybean production forecast at 119.88 million tonnes higher from 112.54 million tonnes in 2020/21.

According to IMD, Present meteorological conditions as well as model forecasts indicate that large scale features as well as prevailing wind patterns over the region are not likely to be favourable during next one week for further advance of southwest monsoon into remaining parts of Rajasthan, west Uttar Pradesh, Haryana, Chandigarh & Delhi and Punjab.

Quantitatively, the monsoon seasonal (June to September) rainfall is likely to be 98% of the Long Period Average (LPA) with a model error of $\pm 5\%$. The LPA of the season rainfall over the country as a whole for the period 1961-2010 is 88 cm. If it realizes the kharif oilseeds' crop production, including soybean, will be within normal.

The overall export of oilmeals during April -May 2021 is also reported up by +52% at 531,700 metric tonnes compared to 350,157 metric tonnes during the same period last year.

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 2020/21 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 remain strong by 90-100% year-on-year for coming months, after fall in the soybean crushing in Argentina and Brazil as their stocks dried up.

India had imported 7,483,380 metric tonnes of edible oils in during Nov.'20 – Mar.'21 to meet the supply gap, up compared to 6,912,366 metric tonnes in during the same period last year.

India had imported 1,213,142 metric tonnes of edible oils in during May'21 ,down compared to 720,976 metric tonnes in during the same period last year.

Import during May '21 up by 19% compared to April 2021 due to lower stock in pipeline and lesser import during earlier months and increase in demand due to lifting of the lock down. Secondly, May '21 import showing 68% increased compared to May '20, as there was a complete lockdown which had affected the import during May '20. Thirdly, high price of Sunflower Oil discouraged its import, while Soybean oil import marginally improved.

The soybean plant average delivery price at Nagpur is quoted 2% up at Rs. 7,258 /qtl as compare to last week price at Rs. 7,116/qtl.

The arrivals of bean declined by 38% by 230000 bags in the cash market yards of Maharashtra during the week against 370000 bags in previous week.

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 down on weak demand at higher price level. Government decision on cutting Import tariffs on edible oil may impact soybean prices Additionally worries about biofuel law might drag soybean down in coming days.

International:

CONAB has once again raised Brazil's 2020/21 soybean crop estimate to 135.9 million tonnes vs 135.4 million tonnes in May forecast and 124.845 million tonnes in 2019/20.

US soybean planting, as on June 20, 2021, stood at 97% up from 96% same period last year however up from 5-year average of 94%. Further, the US soybean emerged by 91% up from 88% same period last season however up from 5-year average of 85%.

In the prospective planting report by the National Agricultural Statistics Service (NASS), Agricultural Statistics Board, (USDA), the soybean planted area for 2021 is estimated at 87.6 million acres, up 5 percent from last year (83.084 million acres).

The soybean harvesting is underway in Brazil and it is in full-swing while the soybean crop is in the maturity stage in Argentina.

AgResource raised Brazil's 2020/21 soybean harvest to 129.98 million tonnes from 128 million tonnes previously projected.

According to the Buenos Aires Grain Exchange, the nationwide average soybean yield is 3,030 kg/ha (45.1 bushel/acre), which is unchanged from last week. The yields are ranging from 1,670 kg/ha to 3,250 kg/ha (24.8 bushel/acre to 48.4 bushel/acre). The Buenos Aires Grain Exchange left their soybean estimate unchanged at 43.0 million tons. Soybeans were rated 30% poor/very poor, 61% fair, and 9% good/excellent as of late last week. The good/excellent percentage was unchanged compared to the prior week.

Brazil's soybean exports is estimated to reach to 16.1 million tonnes in March vs 16.4 million tonnes forecast in previous week – ANEC.

In the virtual Price Outlook Conference (POC) organized by Bursa Malaysia Thomas Mielke is in view that, after establishing new multi-year highs, the global edible oil prices are likely to be close to their peak, as the bullish fundamentals should be largely discounted. He added that the prices are set to start weakening in the Apr/June quarter followed by further setback in July/Dec, attributed to increasing South East Asian palm oil and South American soyoil production as well as prospective sharp increase in oilseeds plantings in the Northern Hemisphere.

Further, the world soybean supplies will increase in June through December with South American crop harvest in full swing and US soybean supplies later. We may further see competition in soybean prices between South America and US.

USDA attache has projected China's 2021/22 soybean imports at 103 million tonnes which is higher than 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. This is below the average growth observed prior to the arrival of African swine fever (ASF) in 2018 as domestic soybean production remains 35 percent above pre-ASF levels at 19.0 million tons. Crush growth continues at historic levels while stocks are projected to reach a record of 34.0 million tons. Soybean meal and oil trade are forecast nearly unchanged

Worries about biofuel law might drag soybean down in coming days may put more pressures on CBOT prices in next week. However, strong Chinese soybean demand will limit any major fall.

Soymeal

The domestic weekly average soymeal prices at Indore was 4.2% up to Rs 60,083 /MT compared to the weekly average of Rs 57,550/MT previous week strength in soybean prices and other oilseed complex supported the prices. Soymeal expected to trade rangebound However, good demand in global market may support prices.

The soymeal along with other oilmeal exports continued remain strong in June 2021, as in the recent months.

World 2021/22 soymeal production is estimated higher at 260.31 million tonnes vs 253.12 million tonnes against last year record, in its June report.

Higher 2021/22 US soybean planting estimates in the prospective planting report on June 20, indicates higher availability of the bean and subsequently meal if the crop yield stands at normal.

Robust Chinese soy demand, lower than expected soybean production estimates in US and Argentina will remain bullish for soymeal for some more time.

India's May 2021 soymeal exports increased by 12% to 52,434 metric tonnes compared to 46,614 metric tonnes in the same period last year. Further, the soymeal shipments improved by +27% to 92,193 metric tonnes in aggregate, during the last ten months (April-may.) of financial year 2020-21 compared to 72,554 metric tonnes during the corresponding period last year.

India's export of oilmeals for the month of May 2021 is reported at 228,242 metric tonnes compared to 248,007 metric tonnes in April 2020 i.e. down by -8%.

The overall export of oilmeals during April -May 2021 is also reported up by +52% at 531,700 metric tonnes compared to 350,157 metric tonnes during the same period last year.

In current year financial year 2021-22, export of oilmeals in first two months showing improvement. Export of Soybean meal slightly improved, thanks to buying by U.S.A., while Rapeseed meal substantially increased, due to higher shipment to South Korea and Thailand. Ricebran Extraction is performing better due to larger demand from Vietnam and Bangladesh.

India's exports for rapeseed meal during April-May 2021 was up +66% at 274,692 metric tonnes compared to 165,737 metric tonnes during the same period previous marketing season.

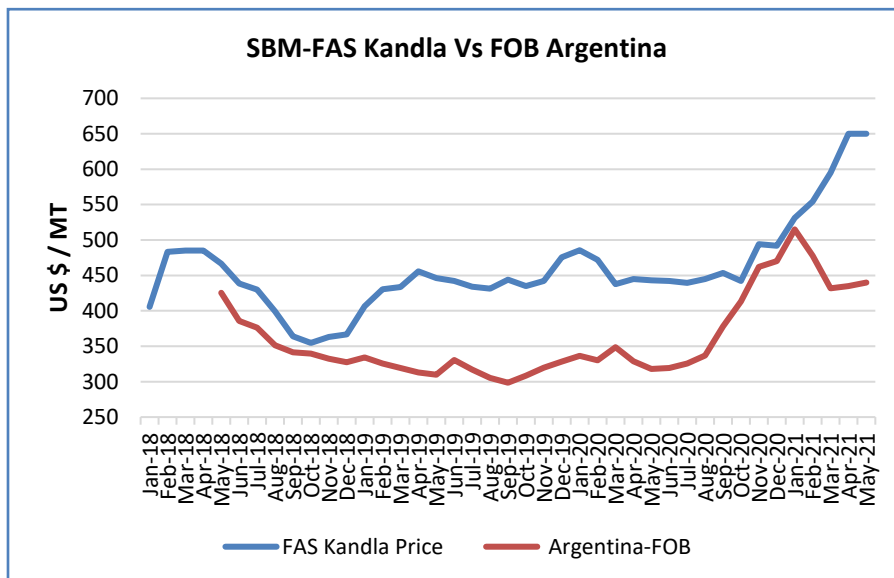
The export of rapeseed meal in May'21 is reported at 96,870 metric tonnes against last year 14,4244 metric tonnes during the same period i.e. lower by -33%.

The domestic soymeal demand has considerably recovered in previous months, from poultry sector, but still below pre-COVID levels. Poultry industry contributes more than 60% of the total domestic soymeal demand.

The international soymeal prices are getting competitive after improved the soybean crop prospects. The soymeal export price spread of India vs Argentina (FAS Kandla and FOB Argentina) have further declined to US \$ 210/MT in May'21 vs US \$ 215/MT in April'21, leading incompetitiveness for Indian soymeal exports.

The domestic weekly average soymeal prices at Indore was 4.2% up to Rs 60,083 /MT and was quoted between Rs 58,000 – 62,000/MT compared to the weekly average of Rs 57,550/MT and was traded between the price ranges of Rs. 56,000 – 59,300/MT previous week.

Weekly average prices at various centers also closed higher side compared to last week prices. At Latur, the weekly average soymeal prices inclined by 4.7% to Rs. 66,428/MT compared to Rs. 63,333/MT a week ago however in Nanded it was quoted 1.3% higher at Rs. 64,142/MT compared to Rs. 63,333/MT a week ago. In Kota the meal prices inclined to Rs. 60,985/MT compared to Rs. 59,516/MT previous week.



The soy meal prices (Indore) are likely to feature range-bound movement between Rs. 58,000 – 63,000 /MT on good local and export demand, for medium-term.

Previous updates:

CONAB has raised Brazil's 2020/21 soybean crop estimate to 135.54 million tonnes vs 135.131 million tonnes in March forecast and 124.845 million tonnes in 2019/20.

According to the data released by NOPA, US crushed 168.74 million bushels of soybeans in April 21. The soybean processing was down from 171.75 million bushels in April 2020 and also lower by 1.8% from 177.98 million bushels in March 2021.

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 Chinese buying spree.

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. According to the data released by NOPA, US crushed 178 million bushels of soybeans in March 21, second consecutive month of reduction also slightly less than expected. The soybean processing was down from 181.4 million bushels in March 2020 but up from 155.2 million bushels in March 2020.

The global 2020/21 soybean production estimate too increased to 363.18 million tonnes vs 361.82 million tonnes in the previous month report by USDA. World 2020/21 soymeal production is estimated slightly down at 253.3 million tonnes vs 254.14 million tonnes in its previous estimate.

The global 2020/21 soybean production estimate too increased to 363.18 million tonnes vs 361.82 million tonnes in the previous month report by USDA. World 2020/21 soymeal production is estimated slightly down at 253.3 million tonnes vs 254.14 million tonnes in its previous estimate.

U.S. ending stocks were 120 million bushels vs. the March estimate of 120 million bushels. The trade expected the USDA to print 119 million bushels today

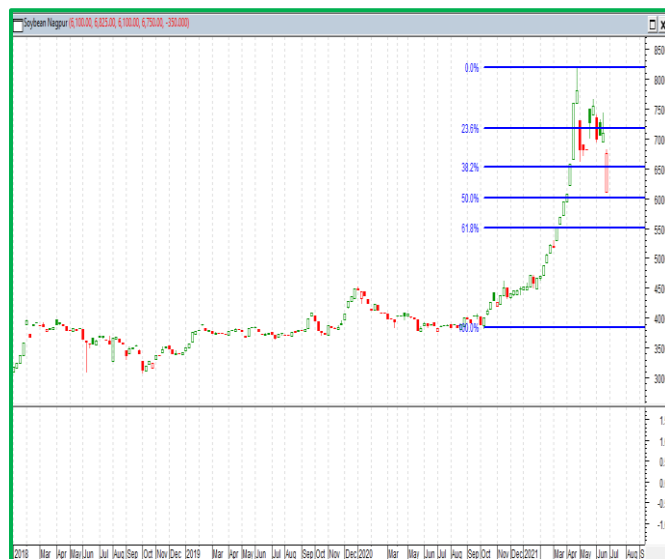
For soybeans, the world ending stocks are estimated at 86.9 mmt. vs. the trade's expectation of 83.52 mmt. and the USDA's December estimate of 83.74 mmt.

Technical Analysis:

NCDEX Soybean Futures – July Contract



Soybean Spot, Nagpur



*Note: Daily Chart

Support & Resistance NCDEX Soybean – July contract

S1	S2	PCP	R1	R2
5800	6000	6974	7200	7500

- Soybean fell on selling pressure in the market.
- Prices closed above 18-day EMA.
- RSI and stochastic are rising from lower level.
- MACD is falling in the negative territory.
- The prices are expected to feature loss in the coming week.
- Trade Recommendation (NCDEX Soybean – Jul) Week: **Sell** Below 6700 Levels: T1 – 6600; T2- 6400, SL – 7100.

Rapeseed - Mustard Seed

Rapeseed-mustard witnessed gain amid tight supply and strength in other oilseed complex, However, expected weak trend in other oilseeds complex may weigh on mustard prices in coming week but buying at lower level and short covering may support price gains.

Rapeseed Mustard inclined by 2% to Rs.6984 /Qtl this week as compared to Rs 6842/Qtl last week.

NAFED had procured the rapeseed-mustard at 0.03 MT of rapeseed-mustard valued Rs 0.014 Lakh from Madhya Pradesh at MSP (Rs 4650/qtl) under PSS. However, the procurement couldn't pick-up the pace due to COVID lockdown restrictions.

AW has revised India's 2021/22 rapeseed-mustard production up to 8.54 million tonnes from 8.0 million tonnes estimated in its previous forecast and it is up 18% from 7.21 million tonnes estimated last season. The Government estimation of mustard crop is high at 10.4 MT. The COOIT has estimated mustard production at 8.90 MT.

Rapeseed oilcake traded 2.3% up Rs 2758/ Qtl as compared to last week Rs 2695/Qtl, strength in Rapeseed prices put additional support on the upside.

India has not imported any rape oil (canola) in March too as in last several months. India is unlikely to import the rape oil in coming months too. Lower imports in rape oil (canola) will lend support to the local rapeseed-mustard prices at the higher levels.

India's exports for rapeseed meal during April-May 2021 was up +66% at 274,692 metric tonnes compared to 165,737 metric tonnes during the same period previous marketing season.

The export of rapeseed meal in May'21 is reported at 96,870 metric tonnes against last year 14,4244 metric tonnes during the same period i.e. lower by -33%.

At NCDEX futures, the July contract of rapeseed-mustard fell at 6,902/Qtl compared to 6,945/Qtl in last week.

Previous Updates

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 US \$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.

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

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

The food regulator had 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'20 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.

Agriwatch has projected India's MY 2021/22 rapeseed production at 8.54 million tonnes vs 7.2 million tonnes last season while COOIT has estimated the seed production at 8.95 million tonnes vs 7.5 million tonnes last season.

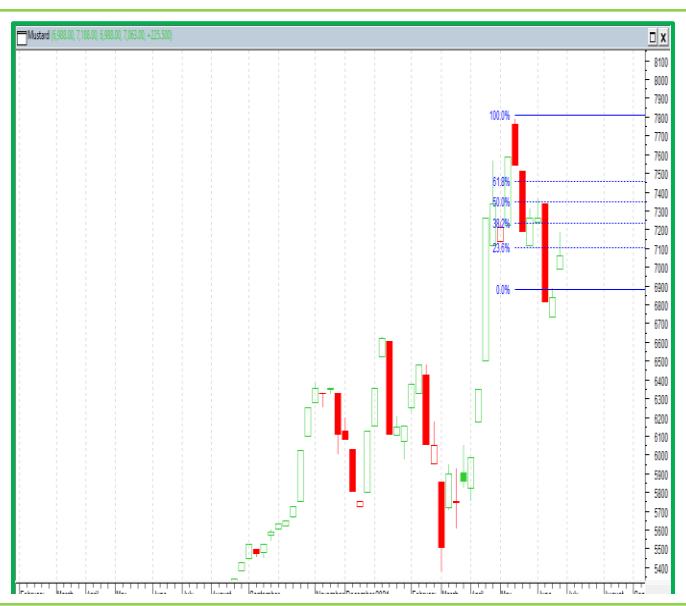
Outlook: *RM Seed Spot market has gained due to tight supply, and strength in other oilseed complex supported the price, arrival in all mandis across the country has gone sown which is also supporting the price.*

Technical Analysis:

NCDEX RM Seed Futures

July Contract

RM Seed Spot, Jaipur



*Note: Daily Chart

Support & Resistance NCDEX RM Seed – Jul contract				
S1	S2	PCP	R1	R2
6200	6500	6901	7200	7500

- RM seed witnessed loss in the market.
- Prices closed above 18-day EMA.
- RSI and stochastic rising from the neutral zone.
- MACD is easing in the negative territory.
- The prices are expected to feature loss during the week.
- Trade Recommendation (NCDEX Rapeseed-Mustard –Jul) Week: Sell- 6700 Levels: T1-6600, T2- 6550, SL –6800.

Annexure

Oilseed Prices at Key Spot Markets:

Commodity / Centre	Prices (Rs/Qtl)				Change
Soybean	24-Jun-21		17-Jun-21		
	Low	High	Low	High	
Indore –Plant	7200	7300	6950	7025	275
Indore–Mandi	6800	7100	6700	6900	200
Nagpur-Plant	7450	7650	7050	7200	450
Nagpur – Mandi	6600	7050	6600	6900	150
Latur – Mandi	6500	7455	6600	7200	255
Akola – Mandi	6350	7100	6300	6900	200
Kota-Plant	7000	7050	6600	6650	400
Kota – Mandi	6900	6950	6500	6600	350
Bundi-Plant	6750	6925	6550	6750	175
Bundi-Mandi	6625	6725	6450	6550	175
Baran-Plant	6780	6880	7100	7300	-420
Baran-Mandi	6280	6680	6600	7100	-420
Bhawani Mandi Jhalawar–Plant	6530	6730	6500	6800	-70
Jhalwar-Mandi	5930	6330	6000	6500	-170
Rapeseed/Mustard					
Jaipur-(Condition)	7075	7100	6875	6900	200
Alwar-(Condition)	6800	6850	6575	6625	225
Sri Ganganagar-(Non-Condition)	6300	6700	6180	6240	460
New Delhi–(Condition)	6850	6900	6600	6650	250
Kota-(Condition)	6400	6500	6250	6350	150
Agra-(Condition)	7048	7238	6762	6952	286
Neewai-(Condition)	7100	7200	6600	6700	500
Hapur (UP)-(Condition)	6800	6900	6600	6700	200
Groundnut Seed					
Rajkot	1050	1050	1035	1035	15
Sunflower Seed					
Gulbarga	NA	NA	0	0	-
Latur	6100	6200	7150	7250	-1050

Sholapur	6100	6200	7200	7300	-1100
Soybean Prices are in INR/qrt. (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/qrt.					

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 2021-22 - GOI

Sl. No	Crops	MSP for Kharif 2021-22	MSP for Kharif 2020-21	Increase in MSP (Absolute)
1	Groundnut	5550	5275	275
2	Sunflower seed	6015	5885	130
3	Soybean (yellow)	3950	3880	70
4	Sesamum	7307	6855	452
5	Nigerseed	6930	6695	235

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 2021-22.

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. 5500 per quintal for marketing season 2020-21 from Rs.5275 per quintal in 2019-20 an increase of Rs.275 a quintal.

The MSP of sunflower to Rs. 6015 a quintal from earlier Rs. 5885 per quintal an increase of Rs 130 per quintal, Soybean-yellow to Rs. 3950 a quintal to Rs. 3880 per quintal last season, an increase of Rs. 70 a quintal, Sesamum to Rs. 7307 a quintal from 6855 earlier, an increase of Rs. 452 a quintal and the MSP of Nigerseed have been increased to Rs. 6930 a quintal from Rs. 6695 a quintal earlier, increase of Rs 235 per quintal.

Among all the Kharif crops, the highest increase in MSP is proposed for sesamum (Rs 452 per quintal) followed by Tur (Rs 300 per quintal) and Urad (Rs 300 per quintal). The differential remuneration is aimed at encouraging crop diversification.

India's Oilseeds Production Seen at 365.7 Lakh Tonnes vs 332.20 Lakh Tonnes in 3rd Adv Est. for 2020-21- GOI

The 2nd Advance Estimates of production of oilseeds for 2020-21 have been released by the Department of Agriculture, Cooperation and Farmers Welfare on 25th May, 2021. The assessment of production of different crops is based on the feedback received from States and validated with information available from other sources.

The revised estimated production of major Oilseeds during 2020-21 is as under:

Oilseeds – 365.7 lakh tonnes in 2020-21 vs 332.19 lakh tonnes in 2019-20

- Groundnut – 101.2 lakh tonnes vs 99.52 lakh tonnes in 2019-20.
- Castorseed – 17.76 lakh tonnes vs 18.42 lakh tonnes
- Sesamum – 8.12 lakh tonnes vs 6.58 lakh tonnes
- Nigerseed – 0.41 lakh tonnes vs 0.41 lakh tonnes (No difference)
- Soybean – 134.1 lakh tonnes vs 112.26 lakh tonnes
- Sunflower – 2.24 lakh tonnes vs 2.13 lakh tonnes
- Rapeseed-mustard – 99.9 lakh tonnes vs 91.24 lakh tonnes
- Linseed – 1.40 lakh tonnes vs 1.21 lakh tonnes
- Safflower – 0.34 lakh tonnes vs 0.44 lakh tonnes.

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 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 83.60 lakh hectares, up 5% from 79.37 lakh ha in the corresponding period of last year. Of the major oilseeds, rapeseed-mustard sowing is reported up by 7% at 73.89 lha compared to 68.84 lha during the corresponding period of last year. Groundnut at 4.57 lha vs 4.65 lha, safflower at 0.58 lha vs 0.63 lha, sunflower at 1.01 lha vs 1.02 lha, sesamum 0.44 lha vs 0.56 lha, linseed at 2.90 lha vs 3.34 lha and other 0.21 lha vs 0.33 lha during the same period last year.

Area in Lakh Hectares				
Crop	Normal Area (5 Year Avg.)	As on 22 Jan. 2021	As on 22 Jan. 2020	% Change
Rapeseed/Mustard	59.44	73.89	68.84	7.3
Groundnut	7.28	4.57	4.65	-1.7
Safflower	1.18	0.58	0.63	-7.9
Sunflower	2.41	1.01	1.02	-1.0
Sesamum	0.00*	0.44	0.56	-21.4
Linseed	2.75	2.90	3.34	-13.2
Others	0.13	0.21	0.33	-36.4
Total Oilseeds	73.19	83.60	79.37	5.3

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>

© 2021 Indian Agribusiness Systems Pvt Ltd.