

Oilseeds Domestic Fundamentals:

- NCDEX soybean and Mustard traded weak on the opening session of the week weighed on rising soybean arrivals in the market. NCDEX Mustard made 18 sessions low as the crushers demand drops as the peak festival nears in and due to the spread correction with Soybean.
- As Madhya Pradesh, Chhattisgarh and Rajasthan governments, heads towards assembly polls State and center had unveiled big procurement plans for kharif crops by way of higher allocation. The states will go for polls in between 12th Nov to 7th Dec.
- The Madhya Pradesh government has allocated 65 billion to either directly purchase oilseeds and pulses from farmers or pay the price difference between a modal rate and the minimum support price (MSP) under its Bhawantar Bhugtan Yojana (BBY). MP also plans to give a flat ~500 per quintal as deficit finance to soybean and maize farmers of the state under the Bhawantar Bhugtan Yojana (BBY) to compensate for their loss from sale.
- MP has also lowered mandi fees to ~1.50 for a transaction of every ~100 against the earlier fees of ~2/100. This will also reduce the operational cost of farmers.
- In Rajasthan, the Centre has confirmed purchase plan to buy around 750,000 tonnes of groundnut and soybean at a price of over ~31 billion.
- SOPA president reiterated its previous statement in SOPA Soy International conclave in Indore, of exporting nearly 25-30 lakh tons of soymeal on the backdrop of bumper soybean crop. SOPA has estimated soybean production at 114.87 lakh tons against Oil World of 104 LT and SEA of 102 LT. We have kept the soybean production estimate at 104 lakh tons. It seems that SOPA has overestimated the production numbers and thus traders will be looking towards arrivals for confirming the production numbers.
- According to SOPA president, India has booked 1 lakh tons of soymeal to Japan and down the line we can expect bookings reaching upto 5 LT. After US enforced unilateral trade sanctions on Iran, Iran has enquired to purchase 2 LT of Soymeal from India. Earlier also Iran booked good amount of Soymeal after US placed trade sanctions. As of now nearly 3.5 LT of exports booking has already happened and more is expected to materialize in coming weeks.
- Experts at the conclave said that as Iran has agreed to accept the payment of oil from India in rupee and the same money will be used to pay for food items it purchases from India, soyabean meal will be one of the preferred items on their list. Iran has already opened a its bank branch in Mumbai to speed up the process.

Oilseeds International Fundamentals

- U.S. soybean futures is traded high in last week buoyed by forecast of heavy rain and even flooding which may hit U.S. Midwest. US has witnessed widespread rains last week.
- With WASDE to be released on 11th Oct 2018, the average trade estimates is at 53.3 bushels with highest estimate of 55 bushels and lowest at 52 bushels per acre. Sep WASDE report has given the yield of 52.8 bushels per acre. Such scenario is indicating a record harvest and record US as well as global soybean stocks.
- According to the USDA weekly sales report, exporters has done private sales of 134,000 tonnes of U.S. soymeal to the Philippines for shipment in the 2018/19 marketing year
- According to Safras and Mercado, Brazilian soybean exports are expected to reach an estimated 79 million tonnes in the 2019/2020 marketing year (Feb-Jan).
- According to Safras and Mercado, Forward sales of the new Brazilian soybean crop are way ahead of last year's levels as farmers take advantage of favorable prices amid the United States-China trade spat to clinch deals early on in the season. Brazilian soybean producers have sold 27.3 percent of the crop that will start to be collected around January, compared to only 14.1 percent that had been sold at this time last year. The volume sold so far is closer to the historical average for the period of 30.2 percent of the crop. Farmers have sold 92.9 percent of the old 2017/2018 crop, compared with 83.7 percent at the same time a year earlier, and 90.2 percent historically for the period.
- Brazilians presidential election is on the way and in a polarized presidential race that could result in the election of a far-right former army captain, whose praise of past dictatorships enrages critics but whose promise of a brutal crackdown on crime and corruption has electrified his supporters. Market will be looking forward for the election results and its repercussions in the Soybean market.

- Outlook:** Soybean (plant delivery) prices are likely feature losses in coming days. The Indore (Plant Delivery) prices are expected to start trading in the range of 3200 to 3050 in coming days. Mustard (42%) spot prices are expected to remain in between 4250 and 4350 per quintal in coming days.

Soybean									
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Oct-18	-40	3261	3261	3200	3200	9050	-11890	21650	-1930
Nov-18	-36	3259	3259	3209	3210	38770	-34310	118550	6400
Dec-18	-35	3293	3305	3256	3257	7480	-10980	40240	1890
Mustard									
Oct-18	-12	4115	4117	4103	4105	4430	-17690	24640	-1940
Nov-18	-25	4208	4208	4178	4178	9280		49790	
Dec-18	-17	4250	4250	4240	4244	100		640	
Soybean					Mustard				
Basis	0				Basis	150			
Spread					Spread				
	Nov-18	Dec-18				Oct-18	Nov-18		
Oct-18	10	47			Aug-18	73	66		
Nov-18		57			Sep-18		139		

Rapeseed Stock Position & Fed:				
Stocks	Demat	In-Process	Total	FED
	06-Oct-18	06-Oct-18	06-Oct-18	#####
Sri Ganganagar	686	0	686	606
Bharatpur	-	-	-	-
Bikaner	3609	0	3609	3608
Kota	5966	20	5986	6417
Jaipur	6236	112	6348	8216
Alwar	536	202	738	313
Hapur	-	-	-	-

Oilseed Prices at Key Spot Markets:

Commodity / Centre	Prices (Rs/Qtl)				Change
Soybean	08-Oct-18		06-Oct-18		
	Low	High	Low	High	
Indore –Plant	3150	3200	3150	3200	Unch
Indore–Mandi	2900	3100	2900	3170	-70
Nagpur-Plant	3075	3150	3075	3150	Unch
Nagpur – Mandi	2500	2970	2500	2970	Unch
Latur – Mandi	Closed	Closed	2950	3135	-

Akola – Mandi	NR	NR	3075	3075	-
Kota-Plant	3000	3050	3100	3150	-100
Kota – Mandi	2900	3000	3000	3100	-100
Bundi-Plant	3000	3040	3100	3140	-100
Bundi-Mandi	2750	2850	2850	2950	-100
Baran-Plant	3000	3050	3080	3100	-50
Baran-Mandi	2700	3000	2700	3050	-50
Bhawani Mandi Jhalawar–Plant	3080	3200	3110	3225	-25
Jhalwar-Mandi	2800	3020	2800	3050	-30
Rapeseed/Mustard					
Jaipur-(Condition)	4250	4255	4250	4255	Unch
Alwar-(Condition)	4150	4200	4100	4150	50
SriGanganagar-(Non-Condition)	3850	4000	3740	3850	150
New Delhi–(Condition)	4150	4200	4150	4200	Unch
Kota-(Condition)	3850	3900	3850	3900	Unch
Agra-(Condition)	4500	4524	4500	4524	Unch
Neewai-(Condition)	3980	4000	3980	4000	Unch
Hapur (UP)-(Condition)	4175	4200	4175	4200	Unch
Groundnut Seed					
Rajkot	880	880	NR	NR	-
Sunflower Seed					
Gulbarga	#VALUE!	#VALUE!	3300	3700	-
Latur	Closed	Closed	NA	NA	-
Sholapur	3600	3700	3700	4000	-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
	08-Oct-18	06-Oct-18	
Soybean			
Madhya Pradesh	125000	225000	-100000
Maharashtra	110000	110000	Unch
Rajasthan	60000	60000	Unch
Bundi (Raj)	200	200	Unch
Baran (Raj)	17000	2000	15000
Jhalawar (Raj)	18000	20000	-2000

Rapeseed/Mustard			
Rajasthan	75000	70000	5000
Alwar	2000	4000	-2000
Sri Ganganagar	1000	250	750
Kota	1500	1300	200
Groundnut Seed			
Rajkot (Gujarat)	4400	NR	-
Sunflower Seed			
Sholapur (Maharashtra)	800	1500	-700

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

Oilseeds	8-Oct-18	6-Oct-18	Change
Groundnut Kernel	4475	4400	75
Gr. Bolds 60/70	Unq	Unq	-
Gr. Javas 60/70	8050	7950	100
Gr Javas 70/80	7750	7650	100
Gr.Javas 80/90	7450	7350	100
KardiSeed 2% Exp Qly	4000	3800	200
Sesame White 98/2/1 FM	9000	9000	Unch
Whitish 95/5/FFA/1FM	8900	8900	Unch
Brown 48/2 FFA/4 FM	8200	8200	Unch
Brown 48/3 FFA/4 FM	7800	7800	Unch
Brown 48/4 FM/* No FFA Guarantee	7250	7250	Unch
Sunflower Seed	4000	4000	Unch
Niger Seed (4% FM)	4700	4700	Unch

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