

### **Oilseeds Domestic Fundamentals:**

- Cash oilseeds market remained closed over extended holidays post Diwali.
- MP state govt last year reimbursed the difference between the modal rates and MSP to farmers, up to a limit. Modal rates are the average price at nearby mandis. This year however the state had fixed its payout at up to Rs 500 a quintal to growers of soybean, irrespective of the actual difference between modal rate and MSP.
- This is in line with the Centre's latest guidelines (under PM-ASHAA) according to which payout under any price deficiency payment scheme (PDPS) shouldn't exceed 25 per cent of the MSP value of the crop for which it has been started. So, in the case of soybean, the payout to farmers under Bhawantar should not exceed Rs 850 a quintal. The MP government, as noted, has decided to not pay more than 500 a quintal for soybean under Bhawantar. Thus it is not an BBY in its sense but a fixed bhavnatar yojana. MP state finds it difficult in maintaining record and registers, and thus adopted this policy.

### **Oilseeds International Fundamentals**

- Chicago soybean made up all the losses pose WASDE report and posted second consecutive gains on Friday..
- In the USDA Weekly exports sales report, US Soymeal net sales of 255,100 MT for 2018/2019 were reported for Ecuador (38,200 MT, including decreases of 1,800 MT), Mexico (30,500 MT, including decreases of 3,100 MT), the Philippines (29,100 MT), Colombia (28,300 MT, including 9,000 MT switched from unknown destinations), and Vietnam (27,800 MT). Reductions were primarily for El Salvador (10,000 MT). For, 2019/2020, net sales of 900 MT were reported for Mexico (700 MT) and Canada (200 MT). Exports of 237,600 MT were reported to the Philippines (47,000 MT), Mexico (43,100 MT), Ecuador (31,200 MT), Colombia (30,400 MT), and the Dominican Republic (24,200 MT).
- US soybean net sales of 388,400 MT for 2018/2019 were down 2 percent from the previous week, but up 16 percent from the prior 4-week average. Increases were reported for the Netherlands (140,400 MT, including 136,000 MT switched from unknown destinations), Thailand (80,800 MT, including 70,000 MT switched from unknown destinations), Spain (70,600 MT, including 65,000 MT switched from unknown destinations), Pakistan (69,000 MT, including 66,000 MT switched from unknown destinations), and Bangladesh (60,000 MT, switched from China). Reductions were primarily for unknown destinations (379,500 MT). For 2019/2020, total net sales were reported for Japan (3,000 MT). Exports of 1,136,200 MT were down 14 percent from the previous week, but up 2 percent from the prior 4-week average. The destinations were primarily to the Netherlands (140,400 MT), Mexico (140,200 MT), China (136,100 MT), Argentina (99,300 MT), and Japan (87,100 MT).
- According to Baltic and International Maritime Council, Iran has emerged as the biggest buyer of US soybeans in August in the aftermath of trade tensions between China and the US. Iran was able to import higher soybean before the announcement of the unilateral trade sanction on 6<sup>th</sup> August and thus the pipeline deliveries arrived in the August month. The sanctions though came into force in Nov thus the deliveries are expected to arrive till Oct month.
- In Russia according to a preliminary assessment of the regional authorities of the agro-industrial complex, the area under oilseeds increased by 1.3 million hectares, for the first time in Russian history, reaching 13.9 million hectares. The areas under rapeseed increased most noticeably - by 1.5 times (to 1.6 million hectares) and mustard - by 2.2 times (to 0.3 million hectares). Soybean acreages is at 2.9 million hectares and oilseed flax - 0.7 million hectares. Sunflower was planted on a record 8.1 million hectares.
- As of October 30, 3.5 million tons of soybean were harvested (in 2017, 2.8 million tons) at a yield of 15.6 c / ha. The crop was threshed from an area of 2.3 million hectares or 81.9% of the harvesting area.
- Sunflower threshed from an area of 6.8 million hectares or 84.9% of the harvest area. 10.8 million tons were threshed (in 2017 - 8 million tons), with a yield of 15.9 c / ha (in 2017 - 15.5 c / ha).
- Rapeseed is threshed from an area of 1.5 million hectares or 94.4% of the harvest area. 2.1 million tons were threshed (in 2017 - 1.5 million tons), with a yield of 14.3 c / ha.
- According to ABIOVE, Brazil's soy processing sector is in talks with Chinese government officials looking for ways to increase soymeal exports to the Asian nation especially after the decision was made to increase the biodiesel mandate by 1% every year which requires more soy oil and hence higher soybean crush.
- Brazil's soy industry group Abiove raised its projection on soybean exports this year to 79 million tonnes from 77 million tonnes seen in October. Soybean production has also been upward revised to 120.5 million tonnes in its estimate for the

Brazilian 2017/18 crop, from 119.5 million tonnes previously. ABIOVE expects crushing in Brazil to fall next year by 400,000 tonnes to 43.2 million tonnes.

- Further ABIOVE revised 2019 soy oil export projection from 800,000 tonnes to 400,000 tonnes, due to expected higher local demand from biodiesel producers since blending is poised to increase next year from 10 percent to 11 percent of diesel composition.
- US soybean total export commitments for U.S. soybeans in 2018-19 were down nearly 30 percent on the year. Sales to China were down at 94 percent.
- According to the USDA GAIN report, the Chinese government maintains an unknown volume of soybeans in a state reserve, with estimates ranging from 6 million to 8 million tonnes which can last China just over four weeks, at the most, assuming a steady usage pace.
- On average, the United States exports about 23 percent of its annual soybean volume in September and October. This year only 15 percent of soybean exported as of USDA's annual target, had been shipped through Nov.
- Russian Agriculture Minister Dmitry Patrushev proposed setting up joint soy processing production with China on Russian soil as he met his Chinese counterpart for talks on Thursday, the agriculture ministry said.
- Patrushev said Chinese investment in joint production would help Russia increase soy supplies to the Chinese market, the ministry said in a statement.
- According to CONAB, Brazil 2018/19 Soybean Crop Seen At Btw 116.770 Million T And 119.266 Million T Versus 119.281 T Million In 2017/18.
- **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 3350 to 3250 in coming days. Mustard (42%) spot prices are expected to remain in between 4150 and 4300 per quintal in coming days.

Soybean									
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Nov-18	-50	3355	3364	3306	3323	44580	39250	40380	-23460
Dec-18	-40	3400	3413	3355	3379	73030	48360	196830	9920
Jan-19	-40	3458	3462	3407	3431	8050	5860	61980	2270
Mustard									
Nov-18	-54	4079	4101	4044	4045	12940	10200	13050	-6290
Dec-18	-62	4180	4185	4121	4125	31840		48510	
Jan-19	-58	4223	4229	4178	4178	530		2740	
Soybean					Mustard				
Basis	27				Basis	220			
Spread					Spread				
	Dec-18	Jan-19				Dec-18	Jan-19		
Nov-18	56	52			Nov-18	80	53		
Dec-18		108			Dec-18		133		

**Soybean Stock Position & Fed:**

*Stocks	Demat	In-Process	Total	FED
	09-Nov-18	09-Nov-18	09-Nov-18	#####
Akola	33549	1240	34789	31605
Indore	7216	2501	9717	5712
Kota	26875	2399	29274	24495
Sagar	488	0	488	-
Nagpur	241	242	483	241

**Rapeseed Stock Position & Fed:**

Stocks	Demat	In-Process	Total	FED
	09-Nov-18	09-Nov-18	09-Nov-18	#####
Sri Ganganagar	0	0	0	0
Bharatpur	-	-	-	-
Bikaner	2398	0	2398	2568
Kota	4463	20	4483	5172
Jaipur	1137	0	1137	1340
Alwar	1074	395	1469	1104
Hapur	-	-	-	-

**Oilseed Prices at Key Spot Markets:**

Commodity / Centre	Prices (Rs/Qtl)				Change
Soybean	10-Nov-18		09-Nov-18		
	Low	High	Low	High	
Indore –Plant	Closed	Closed	Closed	Closed	-
Indore–Mandi	Closed	Closed	Closed	Closed	-
Nagpur-Plant	Closed	Closed	Closed	Closed	-
Nagpur – Mandi	Closed	Closed	Closed	Closed	-
Latur – Mandi	Closed	Closed	Closed	Closed	-
Akola – Mandi	Closed	Closed	Closed	Closed	-
Kota-Plant	Closed	Closed	Closed	Closed	-
Kota – Mandi	Closed	Closed	Closed	Closed	-
Bundi-Plant	Closed	Closed	Closed	Closed	-
Bundi-Mandi	Closed	Closed	Closed	Closed	-

Baran-Plant	Closed	Closed	Closed	Closed	-
Baran-Mandi	Closed	Closed	Closed	Closed	-
Bhawani Mandi Jhalawar-Plant	Closed	Closed	Closed	Closed	-
Jhalwar-Mandi	Closed	Closed	Closed	Closed	-
<b>Rapeseed/Mustard</b>					
Jaipur-(Condition)	Closed	Closed	Closed	Closed	-
Alwar-(Condition)	Closed	Closed	Closed	Closed	-
SriGanganagar-(Non-Condition)	3700	3780	3750	3810	-30
New Delhi-(Condition)	4100	4140	Closed	Closed	-
Kota-(Condition)	Closed	Closed	Closed	Closed	-
Agra-(Condition)	Closed	Closed	Closed	Closed	-
Neewai-(Condition)	Closed	Closed	Closed	Closed	-
Hapur (UP)-(Condition)	Closed	Closed	Closed	Closed	-
<b>Groundnut Seed</b>					
Rajkot	#REF!	#REF!	#REF!	#REF!	-
<b>Sunflower Seed</b>					
Gulbarga	#VALUE!	#VALUE!	#VALUE!	#VALUE!	-
Latur	Closed	Closed	Closed	Closed	-
Sholapur	#VALUE!	#VALUE!	#VALUE!	#VALUE!	-
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.					

Commodity / Centre	Arrivals in Bags/Qtl		Change
<b>Soybean</b>	<b>10-Nov-18</b>	<b>09-Nov-18</b>	
Madhya Pradesh	Closed	Closed	-
Maharashtra	Closed	Closed	-
Rajasthan	Closed	Closed	-
Bundi (Raj)	Closed	Closed	-
Baran (Raj)	Closed	Closed	-
Jhalawar (Raj)	Closed	Closed	-
<b>Rapeseed/Mustard</b>			
Rajasthan	Closed	Closed	-
Alwar	Closed	Closed	-
Sri Ganganagar	250	200	50
Kota	Closed	Closed	-
<b>Groundnut Seed</b>			
Rajkot (Gujarat)	#REF!	#REF!	-



<b>Sunflower Seed</b>			
Sholapur (Maharashtra)	Closed	Closed	-

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

<b>Oilseeds</b>	<b>10-Nov-18</b>	<b>9-Nov-18</b>	<b>Change</b>
Groundnut Kernel	4950	Closed	-
Gr. Bolds 60/70	Unq	Closed	-
Gr. Javas 60/70	Unq	Closed	-
Gr Javas 70/80	Unq	Closed	-
Gr.Javas 80/90	Unq	Closed	-
KardiSeed 2% Exp Qly	4200	Closed	-
Sesame White 98/2/1 FM	13800	Closed	-
Whitish 95/5/FFA/1FM	13500	Closed	-
Brown 48/2 FFA/4 FM	10500	Closed	-
Brown 48/3 FFA/4 FM	10100	Closed	-
Brown 48/4 FM/* No FFA Guarantee	9400	Closed	-
Sunflower Seed	4100	Closed	-
Niger Seed (4% FM)	4800	Closed	-

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