

Oilseeds Domestic Fundamentals

- Mixed trend are witnessed in the Oilseed complex today on mixed sentiments in the market. RM Seed prices at Jaipur market continue declined amid sluggish demand and ample supplies. Today, all India mustard seed arrivals are registered at 150000 higher from 115000 bags in previous day. NCDEX Soybean and Mustard prices continue fell on speculative sellers pressures.
- The Maharashtra Commission for Agricultural Costs and Prices (MCACP) has requested to the government to impose ban on imports of genetically-modified (GM) soybean now due to enough availability GM soybean so that Indian farmers could not suffer much. As of now, India has already bought around 1 lakh of GM Soybean. While , Indian Soybean prices declined to 3700/ quintal from a three year high of 3950/quintal so far and lower trend may continue if GM soybean import will be continued.
- We expect lower oilseeds crop like Soybean, Mustard seed and Groundnut for 2018/19 due to poor rainfall in key growing states. Less rainfall in Gujarat, UP, MP, Maharashtra & West Bengal hampered yield of this season. As per recent ministry report, Rabi Oilseeds crop sowing area in 2018/19 season stood slightly down by 0.6% to 80.40 lakh Ha. in India as compared to 80.98 Lakh Ha. in 2017-18. Currently, farmers have covered total 80.36 lakh Ha. normal area as on 15th Feb 2019. However, Rapeseed sowing area of this year is recorded higher by 2.3% to 69.37 Lakh Ha. against 67.06 Lakh Ha. in last year.
- Maharashtra may cover 36.39 lakh ha. area of Soybean crop in this year as per SOPA estimates. The estimate is down by 10% from government estimates of 40.43 lakh Ha area. Soybean production of the state may increase by 32% to 38.4 lakh tonnes in this year.
- As per sources, Soybean production of India may rise by 38% to 11.48 million tons this year against 8.36 million tonnes in last year record as supported by better yield, favorable weather condition in the major soybean crop growing states like Madhya Pradesh, Maharashtra and Rajasthan. As per Soybean Processors' Association (SOPA) estimates, Soybean acreage rose to 10.48 million hectares compared to 10.16 million hectares in the last season. Average yield jumped by 29 per cent to 1059 kg per hectare for the current harvesting season from 823 kg per hectare in the previous season. Soybean production in Madhya Pradesh may inch up by 41% to 5.92 million tonnes for the current season from 4.2 million tonnes last year. Total yield in the state is estimated to rise by 30.5 per cent to 1094 kg per hectare for the current season from 838 kg from the previous season.

Oilseeds International Fundamentals

- CBOT soybean future gained on a recent report of USDA that U.S. may plant less Soybean at 85 million acres against 89.2 million acres in last year as farmers are likely to shift soybean area to corn. While Reuters analyst expect at 86.1 million acres. Soybean crop in Argentina is in good condition supported by recent hot and dry weather which is helping to stabilize flooded areas. Argentina may harvest 53 million tonnes of Soybean in the current season. U.S. soybean supplies are expected to make a record at 910 million bushels which is just double from last year record due to higher Soybean crop estimates in South America and U.S. trade dispute with China.
- As per Reuter poll, U.S. soybean crushing in December is placed at 5.476 million short tons, or 182.5 million bushels , Estimates ranged from 181.8 million bushels to 183.6 million bushels, with a median of 182.4 million bushels. Crushing pace is notified higher from 178.1 million bushel crsuh in November and 176.4 million bushels in December 2018.
- As per Agribusiness consultancy AgRural, Brazil is likely to export soybean at 70.2 million tonnes in 2019 lower from its previous forecast of 73 million tonnes because China and U.S trade war could not effect much on Brazilian soybean demand. Even, shipment of Brazil may fall further more after resolving trade war of the countries. It says that Brazil is likely to produce Soybean crop at 116.4 million tonnes in 2018/19 which is lower than its previous forecast i.e. 116.5 million tonnes due to continue dry spell in the country. While, farmers of Brazil expect crop size at 114.6 million tonnes lower from 119.3 million tonnes in the last crop year as dryness and excessive heat in key planting regions from December 2018 affected development of the beans in the filling stage.

Outlook: Soybean (plant delivery) prices are likely to trade in steady to weak tone amid higher supplies. The Indore (Plant Delivery) prices are expected to trade in the range of 3820 to 4010 in coming day. Mustard (42%) spot prices are expected to trade steady to weak tone between 3900 and 4120 per quintal in ahead of a day.

Soybean Future Prices									
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Mar-19	-5	3796	3808	3770	3780	38850	-2,010	173480	-1,550
Apr-19	-8	3840	3850	3813	3822	7950	-4,080	84110	-1,480
May-19	-12	3840	3850	3813	3822	1860	-290	65630	-260
Mustard Future Prices									
Apr-19	-2	3881	3892	3872	3883	9530	-3,940	21100	-190
May-19	-13	3920	3925	3910	3915	1540	860	2980	660
June-19	-13	3920	3925	3910	3915	1540	860	2980	660
Soybean Basis -20					Mustard Basis- 217				
Spread					Spread				
	Mar-19	Apr-19	May-19			Apr-19	May-19	June-19	
Mar-19	20				Apr-19	217			
Apr-19		-22			May-19		185		
May-19			-22		June-19			185	

Soybean Stock Position & Fed:				
Stocks	Demat	In-Process	Total	FED
	21-Feb-19	21-Feb-19	21-Feb-19	21-Feb-19
Akola	49344	263	49607	48605
Indore	22903	0	22903	22893
Kota	19362	0	19362	20349
Sagar	2297	0	2297	2237
Nagpur	401	0	401	400

Rapeseed Stock Position & Fed:				
Stocks	Demat	In-Process	Total	FED
	21-Feb-19	21-Feb-19	21-Feb-19	21-Feb-19
Sri Ganganagar	NA	NA	NA	NA
Bharatpur	NA	NA	NA	NA
Bikaner	NA	NA	NA	NA
Kota	337	0	337	3149
Jaipur	NA	NA	NA	NA
Alwar	292	0	292	524
Hapur	NA	NA	NA	NA

Oilseed Prices at Key Spot Markets:

Commodity / Centre	Prices (Rs/Qtl)				Change
Soybean	22-Feb-19		21-Feb-19		+/-
	Low	High	Low	High	
Indore –Plant	3800	3850	3750	3800	50
Indore–Mandi	3700	3800	3650	3750	50
Nagpur-Plant	3770	3800	3780	3825	-25
Nagpur – Mandi	3400	3690	3250	3660	30
Latur – Mandi	3250	3765	3400	3760	NA
Akola – Mandi	3300	3660	3400	3675	NA
Kota-Plant	3700	3750	3725	3800	-50
Kota – Mandi	3520	3650	3570	3700	Unch
Bundi-Plant	3650	3700	3700	3750	Unch
Bundi-Mandi	3500	3600	3550	3660	Unch
Baran-Plant	3700	3750	3750	3800	Unch
Baran-Mandi	3550	3600	3600	3670	-70
Bhawani Mandi Jhalawar–Plant	3700	3750	3750	3800	-50
Jhalwar-Mandi	3550	3700	3600	3750	-50
Rapeseed/Mustard					
Jaipur-(Condition)	4100	4105	4120	4125	-20
Alwar-(Condition)	3950	4000	3950	4000	Unch
Sri Ganganagar-(Non-Condition)	3500	3550	3500	3550	Unch
New Delhi–(Condition)	3960	3970	3980	3990	-20
Kota-(Condition)	3600	3650	3600	3650	Unch
Agra-(Condition)	4150	4200	4150	4200	Unch
Neewai-(Loose)	3760	3840	3760	3840	Unch
Hapur (UP)-(Condition)	3950	4000	3925	3975	Unch
Groundnut Seed					
Rajkot (Groundnut Bold)	3340	4365	3325	4370	-5
Sunflower Seed					
Gulbarga	NA	NA	NA	NA	NA
Latur	NA	NA	NA	NA	NA
Sholapur	NA	NA	NA	NA	NA
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	22-Feb-19	21-Feb-19	+/-
Madhya Pradesh	75000	75000	Unch
Maharashtra	100000	100000	Unch
Rajasthan	25000	30000	-5000
Bundi (Raj)	100	100	Unch
Baran (Raj)	1700	1200	500
Jhalawar (Raj)	800	300	500
Rapeseed/Mustard			
Rajasthan	40000	40000	Unch
Alwar	2500	2500	Unch
Sri Ganganagar	60	40	20
Kota	1000	1000	Unch
Groundnut Seed			
Rajkot (Gujarat)	1090	1350	-260
Sunflower Seed			
Sholapur (Maharashtra)	NA	NA	

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

Oilseeds	21-Feb-19	20-Feb-19	Change
Groundnut Kernel	4800	4800	Unch
Gr. Bolds 60/70	6150	6050	100
Gr. Javas 60/70	7400	7350	50
Gr Javas 70/80	7100	7050	50
Gr.Javas 80/90	6700	6650	50
KardiSeed 2% Exp Qly	4400	4400	Unch
Sesame White 98/2/1 FM	11200	11200	Unch
Whitish 95/5/FFA/1FM	10200	10200	Unch
Brown 48/2 FFA/4 FM	10000	10000	Unch
Brown 48/3 FFA/4 FM	9500	9500	Unch
Brown 48/4 FM/* No FFA Guarantee	9000	9000	Unch
Sunflower Seed	4300	4300	Unch
Niger Seed (4% FM)	5500	5500	Unch

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