

Oilseeds Domestic Fundamentals

- Steady to firm tone witnessed in Soybean prices today at spot markets as local crushers demand. However, exporters are remain slow. Mustard seed prices declined after sufficient supplies in the market. New crops is coming in full swing as a result mustard prices may come down in coming days as well.
- As per Mustard Oil Producers Association of India, India crushed total 500,000 tonnes of Mustard seed in February 2019 with an increase of 33.3% from previous year record. Higher arrivals against dull meal exporters demand are the main reason to rise crushing operations. Overall, oilseed crushing of the country stood higher by 25% in Feb month 2019. Crushing is likely to rise in coming months due to higher crop estimates this year and peak arrival season. Mustard crop is mainly a Rabi oilseed, the sowing is done during Sep-Oct and start harvesting by February. New crop arrivals start to hit in February and come in a full swing by March. Supply remains in full swing till May. New crop of mustard is recorded at 200,000 tonnes along with 60,000 tonnes of old crop in February 2019. Total mustard seed supply stood at 7.05 million tonnes during Mar 18 to Feb 19. Rajasthan, Uttar Pradesh, and combined Madhya Pradesh and Chhattisgarh have reported arrivals at 2.55 million tonnes, 1.25 million tonnes and 825,000 tonnes respectively during Mar 18 to Feb 19. Farmers, processors, stockiest and state-run agencies were maintaining total stocks at 200,000 tonne as on Feb 28, 2019. MOPA expects mustard crop output at 8.1 million tonnes in 2018/19 which is lower than farm ministry's second advance estimates of 8.4 million tonnes. Farm ministry quoted higher mustard acreage at 6.58 million hac. due to higher minimum support price, better realisations.
- According to SEA report, groundnut crop area in India will stand at 40.12 lakh ha. in 2018/19 down from 41.35 lakh ha. in last year. Production and yield are estimated at 37.70 lakh tonnes and 931 kgs/ha. respectively against 52.75 lakh tonnes and 1269 kgs/ha. respectively in previous year record.
- As per recent SEA released data, Rapeseed mustard production is likely to increase by 19% to 8.5 million tonnes in 2018/19 supported by good weather condition compared to previous year record. Farmers have covered higher areas under planting on account of higher seed prices. Rapeseed mustard is the main winter-sown oilseed in India. Higher production estimates may limit India to import edible oil from other countries. Good rainfall at flowering and maturity stage helped for better yield. So far, Farmers have harvested around 20 to 25% of rapeseed crop of this season and the remaining will be harvested in 3 to 4 weeks. India buys palm oil from Indonesia and Malaysia, Soy oil from Argentina and Brazil, sunflower oil from Ukraine and canola oil from Canada. SEA expects higher Rapeseed crop estimates in Rajasthan at 3.37 million tonnes, Madhya Pradesh at 1.01 million tonnes and Uttar Pradesh at 1.49 million tonnes for 2018/19 followed by better yield and higher acreage.

Oilseeds International Fundamentals

- CBOT soybean future closed on higher side in hope to get resolve trade war between China and U.S. soon and China may start buying U.S. soybean in a bulk.
- As per sources, Shipment of Brazil for Soybean is likely to decline in March 2019 on account of U.S. competition, strong Brazilian currency and farmers are not releasing their holding beans stocks due to low prices and forecasts for lower output in the world's top exporter of the oilseeds. Brazil exported some 9 million tonnes of soybeans in March of last year and a record of 84 million tonnes in 2018.
- 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. While, INTL FC stone expects Brazil's soybean output at 113 million tonnes in 2019 lower from its previous estimate i.e. 112.195 million tonnes in February. It expects exports at 79 million tonnes for 2019.

Outlook: Soybean (plant delivery) prices are likely to trade in steady to firm tone in expectation of good demand. The Indore (Plant Delivery) prices are expected to trade in the range of 3700 to 3900 in coming day. Mustard (42%) spot prices are expected to trade steady to higher side between 3900 and 3980 per quintal in ahead of a day.

| Soybean Future Prices (Markets are closed) | | | | | | | | | |
|--|--------|--------|---------|------|----------------|--------|---------|---------|--------|
| Contract | +/- | Open | High | Low | Close | Volume | Change | OI | Change |
| Apr-19 | +30.00 | 3740 | 3774 | 3730 | 3765 | 38750 | -11,860 | 158520 | 13,630 |
| May-19 | +37.00 | 3790 | 3833 | 3795 | 3827 | 14030 | 5,590 | 74500 | 3,480 |
| June-19 | +49.00 | 3845 | 3875 | 3845 | 3865 | 4130 | 3,330 | 10780 | 2,730 |
| Mustard Future Prices | | | | | | | | | |
| Apr-19 | +4.00 | 3802 | 3827 | 3802 | 3813 | 11560 | -1,120 | 22580 | 150 |
| May-19 | +7.00 | 3844 | 3860 | 3843 | 3853 | 1880 | -1,250 | 6600 | 520 |
| June-19 | 0.00 | 3883 | 3883 | 3883 | 3883 | 10 | -2,720 | 50 | -4,340 |
| Soybean Basis -35 | | | | | Mustard Basis- | | | | |
| Spread | | | | | Spread | | | | |
| | Apr-19 | May-19 | June-19 | | | Apr-19 | May-19 | June-19 | |
| Mar-19 | 35 | | | | Apr-19 | 112 | | | |
| Apr-19 | | -27 | | | May-19 | | 72 | | |
| May-19 | | | -65 | | June-19 | | | 42 | |

Soybean Stock Position & Fed:

| Stocks | Demat | In-Process | Total | FED |
|--------|-----------|------------|-----------|-----------|
| | 05-Mar-19 | 05-Mar-19 | 05-Mar-19 | 05-Mar-19 |
| Akola | 51754 | 273 | 52027 | 51104 |
| Indore | 19886 | 30 | 19916 | 19935 |
| Kota | 17443 | 0 | 17443 | 19065 |
| Sagar | 2363 | 0 | 2363 | 2369 |
| Nagpur | 400 | 0 | 400 | 400 |

Rapeseed Stock Position & Fed:

| Stocks | Demat | In-Process | Total | FED |
|----------------|-----------|------------|-----------|-----------|
| | 05-Mar-19 | 05-Mar-19 | 05-Mar-19 | 05-Mar-19 |
| Sri Ganganagar | NA | NA | NA | NA |
| Bharatpur | NA | NA | NA | NA |
| Bikaner | NA | NA | NA | NA |
| Kota | NA | NA | NA | NA |
| Jaipur | NA | NA | NA | NA |
| Alwar | NA | NA | NA | NA |
| Hapur | NA | NA | NA | NA |

Oilseed Prices at Key Spot Markets:

| Commodity / Centre | Prices (Rs/Qtl) | | | | Change |
|---|-----------------|--------|----------|--------|--------|
| Soybean | 6-Mar-19 | | 5-Mar-19 | | +/- |
| | Low | High | Low | High | |
| Indore –Plant | 3750 | 3800 | 3800 | 3850 | -50 |
| Indore–Mandi | Closed | Closed | 3650 | 3750 | Closed |
| Nagpur-Plant | 3740 | 3770 | 3720 | 3750 | 20 |
| Nagpur – Mandi | 3300 | 3620 | 3250 | 3590 | 30 |
| Latur – Mandi | Closed | Closed | 3550 | 3775 | NA |
| Akola – Mandi | 3450 | 3640 | 3200 | 3570 | NA |
| Kota-Plant | 3700 | 3800 | 3700 | 3800 | Unch |
| Kota – Mandi | 3520 | 3650 | 3520 | 3650 | Unch |
| Bundi-Plant | 3725 | 3775 | 3725 | 3775 | Unch |
| Bundi-Mandi | 3600 | 3620 | 3600 | 3620 | Unch |
| Baran-Plant | 3700 | 3740 | Closed | Closed | NA |
| Baran-Mandi | 3600 | 3650 | Closed | Closed | NA |
| Bhawani Mandi Jhalawar–Plant | Closed | Closed | Closed | Closed | NA |
| Jhalwar-Mandi | Closed | Closed | Closed | Closed | NA |
| Rapeseed/Mustard | | | | | |
| Jaipur-(Condition) | 3920 | 3925 | 3930 | 3935 | -10 |
| Alwar-(Condition) | 3750 | 3800 | 3750 | 3800 | Unch |
| Sri Ganganagar-(Non-Condition) | Closed | Closed | Closed | Closed | NA |
| New Delhi–(Condition) | 3850 | 3860 | 3850 | 3860 | Unch |
| Kota-(Condition) | 3700 | 3750 | 3700 | 3750 | Unch |
| Agra-(Condition) | 3975 | 4025 | 4000 | 4050 | -25 |
| Neewai-(Loose) | 3675 | 3725 | 3750 | 3800 | -75 |
| Hapur (UP)-(Condition) | 3570 | 3620 | 3600 | 3650 | -30 |
| Groundnut Seed | | | | | |
| Rajkot (Groundnut Bold) | 3525 | 4405 | 3525 | 4420 | -15 |
| 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 | 6-Mar-19 | 5-Mar-19 | +/- |
| Madhya Pradesh | 50000 | 50000 | Unch |
| Maharashtra | 70000 | 70000 | Unch |
| Rajasthan | 35000 | 35000 | Unch |
| Bundi (Raj) | 70 | 70 | Unch |
| Baran (Raj) | 1300 | Closed | NA |
| Jhalawar (Raj) | Closed | Closed | Closed |
| Rapeseed/Mustard | | | |
| Rajasthan | 190000 | 170000 | 20000 |
| Alwar | 12000 | 12000 | Unch |
| Sri Ganganagar | Closed | Closed | Closed |
| Kota | 6000 | 6000 | Unch |
| Groundnut Seed | | | |
| Rajkot (Gujarat) | 1325 | 1260 | 65 |
| Sunflower Seed | | | |
| Sholapur (Maharashtra) | NA | NA | NA |

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

| Oilseeds | 6-Mar-19 | 5-Mar-19 | Change |
|----------------------------------|----------|----------|--------|
| Groundnut Kernel | 4800 | 4850 | -50 |
| Gr. Bolds 60/70 | 6250 | 6350 | -100 |
| Gr. Javas 60/70 | 7500 | 7600 | -100 |
| Gr Javas 70/80 | 7200 | 7300 | -100 |
| Gr.Javas 80/90 | 6800 | 6900 | -100 |
| 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 |

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.php> © 2019 Indian Agribusiness Systems Ltd.