

Oilseeds Domestic Fundamentals

- Oilseeds complex depicted higher side amid less supplies in the market today. Farmers and traders expect further price hike in prices as a result holding their crops as of now. NCDEX prices of Soybean and Mustard seed settled up amid long positions by speculators.
- The state government got the approval from ministry of Agriculture to procure groundnut and Sunflower seed of Rabi season in Odisha. The proposal for procurement of shelled ground nut has been approved for 6580 tonnes at MSP prices i.e. 4890 per quintal and 10,500 tonnes of Sunflower seeds at MSP price Rs. 5388 per quintal from registered farmers. The procurement operation, which will start on May 24 2019 and will continue for two months till July 27, 2019. All the process will be undertaken by National Agricultural Cooperative Marketing Federation of India Ltd (Nafed) through two State agencies - Odisha State Cooperative Marketing Federation (Markfed) and Tribal Development Cooperative Corporation of Odisha Limited (TDCCL). Payments will be made directly to the bank accounts of farmers within three days from the actual delivery of their products to the procuring agency.
- As per sources, India is likely to cover higher Soybean planting area in 2019 crop year on account of higher Soybean prevailing prices which prompted farmers to switch from other competing commodities like cotton and pulses. It will be helpful to vegetable oil importers of India as they are buying costly oils from Brazil, Argentina, Indonesia and Malaysia in the current season. It could also help to boost Indian exports of animal feed ingredient soymeal to places such as Bangladesh, Japan, Vietnam and Iran. Domestic soybean prices have gained nearly 14 percent to 3,716 rupees (\$53.31) per 100 kg since the start of the 2018 crop year on Oct. 1, after India raised the duty on importing Soyoil, palm oil and other cooking oils.

Oilseeds International Fundamentals

- CBOT Soybean July future contract closed in red after a report that the U.S. Department of Agriculture (USDA) is likely to announce a trade-war aid package for farmers which may support to increase soybean plantings acreage in U.S. U.S. farmers may be paid \$ 2 per bushel to offset losses from the U.S China trade war. It is also expected that the farmers who have not planted corn yet may switch towards Soybean crop area.
- As per recent USDA report, US has completed 19% of its Soybean acres as on 19th May 2019 lower from previous year record i.e. 53%. It is also lower from 47% of average 5-year record as well.
- As per source Rinfinitiv trade flows, China has imported total 7.8 million tons of Soybean in April 2019 from U.S, Brazil & Argentina which is very close to the 3 years average. China may import lower Soybean from these destinations in the range of 6.2- 7.5 million tonnes in May 2019 as compare to 10.4 million tons in previous year record during the corresponding period of time. China imported 2 million tons in April 2019 from U. S higher from 1.8 million tons from 2018 & 2017. However, U.S. Soybean arrivals are likely to decline in May 2019. The trade war between the U.S. and China has cut over 80% of US soybean exports to China so far this market year (September-August). On the other hand, Soybean arrivals of Brazil increased at 5.8 million tons as new crop started hitting in market. However, it is likely to decline and stand in the range of 5.2 to 6.6 million tonnes in May 2019 against 10 million tonnes in May 2018 due to the outbreak of African swine fever and resulting losses in Chinese demand.
- As per USDA, soybean exports inspection of U.S. for the week (16th May 2019) is placed at 497070 tonnes lower from 513,986 due to less demand of overseas buyers. It is also lower than 907202 tonnes in previous year during the same period of time. For marketing year, exports volume is placed lower at 33153354 tonnes against 45659840 tonnes in last marketing year.

Outlook: Soybean (plant delivery) prices are likely to trade in steady to firm tone on improved demand. The Indore (Plant Delivery) prices are expected to trade in the range of 3850 to 3880 in coming day. Mustard (42%) spot prices are expected to trade steady to firm up between 4070 and 4090 per quintal ahead of a day.

Soybean Future Prices (Market were Closed)									
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Jun-19	+20.00	3706	3740	3701	3726	22140	-3,400	114570	-6070
Jul-19	+22.00	3738	3761	3728	3753	8420	-680	37890	4320
Aug-19	+8.00	3780	3785	3772	3780	160	-350	9940	40
Mustard Future Prices									
Jun-19	+20.00	3925	3952	3921	3946	30130	-1,260	85750	42050
Jul-19	+19.00	3971	3988	3960	3984	11430	-1,020	37020	23710
Aug-19	+20.00	3998	4025	4010	4018	420	-100	740	1210
Soybean Basis -114					Mustard Basis-129				
Spread					Spread				
	Jun-19	Jul-19	Aug-19			Jun-19	Jul-19	Aug-19	
Jun-19	114				Jun-19	129			
Jul-19		87			Jul-19		91		
Aug-19			60		Aug-19			57	

Soybean Stock Position & Fed:				
Stocks	Demat	In-Process	Total	FED
	22-May-19	22-May-19	22-May-19	22-May-19
Akola	19870	0	19870	20329
Indore	6833	0	6833	7907
Kota	1712	0	1712	1721
Sagar	765	0	765	936
Nagpur	20	0	20	20

Rapeseed Stock Position & Fed:				
Stocks	Demat	In-Process	Total	FED
	22-May-19	22-May-19	22-May-19	22-May-19
Sri Ganganagar	4740	31	4771	4719
Bharatpur	-	-	-	-
Bikaner	20630	121	20751	20417
Kota	36713	31	36744	36713
Jaipur	4059	30	4089	4059
Alwar	4659	0	4659	4659
Hapur	-	-	-	-

Oilseed Prices at Key Spot Markets:

Commodity / Centre	Prices (Rs/Qtl)				Change
Soybean	23-May-19		22-May-19		
Indore –Plant	3800	3840	3780	3830	10
Indore–Mandi	3600	3800	3650	3780	20
Nagpur-Plant	3800	3850	3800	3850	Unch
Nagpur – Mandi	3360	3610	3360	3610	Unch
Latur – Mandi	Closed	Closed	Closed	Closed	-
Akola – Mandi	3500	3640	NA	NA	-
Kota-Plant	3825	3875	3800	3850	25
Kota – Mandi	3750	3850	3700	3800	50
Bundi-Plant	3820	3870	3800	3850	20
Bundi-Mandi	3700	3800	3630	3750	50
Baran-Plant	3820	3850	3770	3820	30
Baran-Mandi	3650	3700	3580	3630	70
Bhawani Mandi Jhalawar–Plant	3730	3800	3670	3770	30
Jhalwar-Mandi	Closed	Closed	3600	3750	-
Rapeseed/Mustard					
Jaipur-(Condition)	4070	4075	4025	4030	45
Alwar-(Condition)	3900	3950	3900	3950	Unch
Sri Ganganagar-(Non-Condition)	3800	3850	3625	3785	65
New Delhi-(Condition)	3970	4000	3910	3920	80
Kota-(Condition)	3700	3750	3650	3700	50
Agra-(Condition)	4048	4095	4000	4048	48
Neewai-(Condition)	3800	3850	3700	3760	90
Hapur (UP)-(Condition)	3900	3950	3900	3950	Unch
Groundnut Seed					
Rajkot	825	1040	810	1040	Unch
Sunflower Seed					
Gulbarga	NA	NA	NA	NA	-
Latur	NA	NA	NA	NA	-
Sholapur	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	23-May-19	22-May-19	
Madhya Pradesh	30000	35000	-5000
Maharashtra	50000	55000	-5000
Rajasthan	8000	10000	-2000
Bundi (Raj)	65	70	-5
Baran (Raj)	1200	1700	-500
Jhalawar (Raj)	Closed	2000	-
Rapeseed/Mustard			
Rajasthan	150000	150000	Unch
Alwar	6000	8000	-2000
Sri Ganganagar	1000	1000	Unch
Kota	4000	4000	Unch
Groundnut Seed			
Rajkot (Gujarat)	1050	1060	-10
Sunflower Seed			
Sholapur (Maharashtra)	NA	NA	-

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

Oilseeds	23-May-19	22-May-19	Change
Groundnut Kernel	5250	5250	Unch
Gr. Bolds 60/70	7150	7150	Unch
Gr. Javas 60/70	8900	8900	Unch
Gr Javas 70/80	8500	8500	Unch
Gr.Javas 80/90	8200	8200	Unch
KardiSeed 2% Exp Qly	4600	4600	Unch
Sesame White 98/2/1 FM	11100	11100	Unch
Whitish 95/5/FFA/1FM	10500	10500	Unch
Brown 48/2 FFA/4 FM	9600	9600	Unch
Brown 48/3 FFA/4 FM	9400	9400	Unch
Brown 48/4 FM/* No FFA Guarantee	9200	9200	Unch
Sunflower Seed	4450	4450	Unch
Niger Seed (4% FM)	5200	5200	Unch

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