

### **Oilseeds Domestic Fundamentals**

- Mixed trends are seen in Oilseeds complex amid mixed sentiments today.
- 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 Soy oil, palm oil and other cooking oils.

### **Oilseeds International Fundamentals**

- CBOT Soybean July future contract declined on weak global sentiments. 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.
- During this week (May 10-16, 2019) U.S. sold total 535,800 MT for 2018/2019 higher by 45 percent from the previous week and up noticeably from the prior 4-week average. Increases were reported for unknown destinations (255,500 MT), Indonesia (78,000 MT, including 55,000 MT switched from unknown destinations), China (71,000 MT, including 66,000 MT switched from unknown destinations and decreases of 1,600 MT), Egypt (55,000 MT), and Japan (15,900 MT, including 19,700 MT switched from unknown destinations and decreases of 10,900 MT). Reductions were reported for Barbados (700 MT) and South Korea (100 MT). For 2019/2020, net sales of 5,100 MT were for Thailand (2,500 MT), Japan (1,800 MT), the Philippines (500 MT), and Malaysia (300 MT). Exports of 570,800 MT were down 7 percent from the previous week, but up 11 percent from the prior 4-week average. The destinations were primarily to China (272,100 MT), Mexico (100,600 MT), Indonesia (76,100 MT), Japan (42,500 MT), and Costa Rica (15,400 MT). For 2018/2019, the current outstanding balance of 116,000 MT is for unknown destinations
- As per recent USDA report, US has completed 19% of its Soybean acres as on 19<sup>th</sup> 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 USDA, soybean exports inspection of U.S. for the week (16<sup>th</sup> 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 3870 to 4000 in coming day. Mustard (42%) spot prices are expected to trade steady to firm up between 4100 and 4150 per quintal ahead of a day.

Soybean Future Prices (Market were Closed)									
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
<b>Jun-19</b>	+17.00	3720	3744	3710	3738	22140	Unch	110530	-4040
<b>Jul-19</b>	+19.00	3749	3765	3731	3764	11010	2,590	42600	4710
<b>Aug-19</b>	+13.00	3780	3793	3778	3793	410	250	9920	-20
Mustard Future Prices									
<b>Jun-19</b>	-4.00	3957	3962	3933	3940	26900	-3,230	81540	42050
<b>Jul-19</b>	-8.00	3998	3999	3971	3975	13540	2,110	41060	23710
<b>Aug-19</b>	+4.00	4016	4029	4020	4020	680	260	1180	1210
Soybean Basis -132					Mustard Basis-175				
Spread					Spread				
	Jun-19	Jul-19	Aug-19			Jun-19	Jul-19	Aug-19	
<b>Jun-19</b>	132				<b>Jun-19</b>	175			
<b>Jul-19</b>		106			<b>Jul-19</b>		140		
<b>Aug-19</b>			77		<b>Aug-19</b>			95	

**Soybean Stock Position & Fed:**

Stocks	Demat	In-Process	Total	FED
	23-May-19	23-May-19	23-May-19	23-May-19
Akola	19065	0	19065	20329
Indore	6823	0	6823	7907
Kota	1712	0	1712	1721
Sagar	725	0	725	936
Nagpur	20	0	20	20

**Rapeseed Stock Position & Fed:**

Stocks	Demat	In-Process	Total	FED
	23-May-19	23-May-19	23-May-19	23-May-19
Sri Ganganagar	4740	31	4771	4719
Bharatpur	-	-	-	-
Bikaner	20852	162	21014	20417
Kota	36733	61	36794	36713
Jaipur	4059	121	4180	4059
Alwar	4659	0	4659	4659
Hapur	-	-	-	-

**Oilseed Prices at Key Spot Markets:**

Commodity / Centre	Prices (Rs/Qtl)				Change
<b>Soybean</b>	<b>25-May-19</b>		<b>24-May-19</b>		
Indore –Plant	3840	3880	3830	3870	10
Indore–Mandi	3675	3775	3700	3825	-50
Nagpur-Plant	3800	3850	3800	3850	Unch
Nagpur – Mandi	3380	3610	3360	3610	Unch
Latur – Mandi	NA	NA	3600	3790	-
Akola – Mandi	3300	3655	3500	3700	-45
Kota-Plant	3850	3900	3825	3875	25
Kota – Mandi	3775	3875	3750	3850	25
Bundi-Plant	3850	3900	3820	3870	30
Bundi-Mandi	3725	3825	3700	3800	25
Baran-Plant	3850	3880	3820	3850	30
Baran-Mandi	3700	3750	3650	3700	50
Bhawani Mandi Jhalawar–Plant	3760	3820	3730	3800	20
Jhalwar-Mandi	3630	3770	3600	3750	20
<b>Rapeseed/Mustard</b>					
Jaipur-(Condition)	4100	4105	4110	4115	-10
Alwar-(Condition)	3900	3950	3900	3950	Unch
Sri Ganganagar-(Non-Condition)	3750	3845	3830	3880	-35
New Delhi–(Condition)	4035	4065	4045	4075	-10
Kota-(Condition)	3720	3730	3760	3800	-70
Agra-(Condition)	4048	4095	4048	4095	Unch
Neewai-(Condition)	3850	3900	3850	3900	Unch
Hapur (UP)-(Condition)	3925	3975	3925	3975	Unch
<b>Groundnut Seed</b>					
Rajkot	800	1046	825	1044	2
<b>Sunflower Seed</b>					
Gulbarga	3475	3650	3375	3675	-25
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
<b>Soybean</b>	<b>25-May-19</b>	<b>24-May-19</b>	
Madhya Pradesh	35000	35000	Unch
Maharashtra	60000	60000	Unch
Rajasthan	10000	10000	Unch
Bundi (Raj)	65	65	Unch
Baran (Raj)	1500	1200	300
Jhalawar (Raj)	1000	1700	-700
<b>Rapeseed/Mustard</b>			
Rajasthan	125000	140000	-15000
Alwar	6000	6000	Unch
Sri Ganganagar	1200	1200	Unch
Kota	4500	5000	-500
<b>Groundnut Seed</b>			
Rajkot (Gujarat)	1000	1100	-100
<b>Sunflower Seed</b>			
Sholapur (Maharashtra)	NA	NA	-

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

Oilseeds	25-May-19	24-May-19	Change
Groundnut Kernel	5250	5250	Unch
Gr. Bolds 60/70	7350	7150	200
Gr. Javas 60/70	9100	8900	200
Gr Javas 70/80	8700	8500	200
Gr.Javas 80/90	8400	8200	200
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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