

Oilseeds Domestic Fundamentals

- Mostly weak trends are witnessed in Soybean complex due to lack of demand from local millers and also from the south based traders and millers. Soybean prices decreased due to the more supplies in the market. While, mustard seed prices are quoting steady to firm tone on improved local crushers demand a head of less supplies. NCDEX prices of Soybean declined while Mustard seed rose today.
- As per IMD, Monsoon rains enter in to the western and southern parts of Maharashtra, drought hit regions are likely to get good rainfall in next few days and also conditions are favorable for southern part of India. Expected sowing area in Maharashtra is 36.39 lakh hectares, Madhya Pradesh is 45.23 lakh hectares which accounts 80% of total soybean production in the country. Shifting of the crop may occur from Soybean to cotton in Maharashtra followed by maize in Madhya Pradesh if monsoon further gets delayed.
- As on 20th June 2019, Nafed procured total 7626.37 tonnes of Mustard seed of Rabi season at MSP i.e. 4200 per quintals. It has procured total 10.38 lakh tonnes so far from 473644 farmers. Nafed procured total 7626.37 tonnes in Rajasthan states, 44.15 tonnes in Uttar Pradesh.
- According to the sources, there is chances of increase in area of soybean crop in this season up to 120 lakh hectares compared with 112 lakh hectares last year in case of normal monsoon in Madhya Pradesh and Maharashtra (account up to 80 percent of total Soybean production in the country). As per to the third advanced estimate of Ministry, Soybean production is placed at 137.43 lakh tonnes for 2018/19 which is higher by 25 per cent against previous year production and highest in the last five years record. Soybean acreage may increase or may be at the same in this year as soybean prices performed well.
- AS per USDA recent released data, India may grow lower Soybean crop at 10.9 million metric tons in 2019/20 from 11.50 million metric tons in 2018/19 in expectation of less yield at 0.94 metric tons per hectares against 1.05 metric tons per hectares despite higher sowing area forecast i.e. 11.60 million hectares against 11 million hectares in previous year.
- According to Ministry, India has covered total oil seeds kharif sowing area at 1.04 lakh ha. as on 14th June 2019 lower by 1.02 lakh ha. compared to 2.06 lakh ha. in normal of corresponding week. It is also lower by 0.75 lakh ha. from previous year record during the same period of time. Farmers have covered groundnut area at 0.25 lakh ha (0.51 lakh ha.), Soybean area at 0.37 lakh ha. (0.75 lakh ha), Sunflower area at 0.16 lakh ha. (0.12 lakh ha), Sesamum area at 0.25 lakh ha. (0.38 lakh ha). Bracket figures show previous year sowing area in the same period of time.

Oilseeds International Fundamentals

- CBOT Soybean July future contract declined on Wednesday in hope of supportive weather conditions for Soybean planting.
- During this week (7-June to 13-June, 2019) US soybean sales increased 571,500 MT for 2018/2019 against previous week record increased by 34% from the prior 4-week average. Increases were reported for unknown destinations (141,400 MT), Egypt (110,000 MT), the Netherlands (82,600 MT, including 66,000 MT switched from Argentina and decreases of 3,900 MT), Japan (56,600 MT, including 41,200 MT switched from unknown destinations and decreases of 1,000 MT), and Indonesia (55,700 MT, including 55,000 MT switched from unknown destinations and decreases of 400 MT). Reductions were reported for Argentina (66,000 MT) and Malaysia (800 MT). For 2019/2020, net sales of 200,000 MT were primarily for Thailand (68,000 MT), Pakistan (66,000 MT), and unknown destinations (63,000 MT). Exports of 736,500 MT were down 3 percent from the previous week, but up 28 percent from the prior 4-week average. The destinations were primarily to China (339,800 MT), Indonesia (84,300 MT), Japan (75,500 MT), the Netherlands (62,100 MT), and Mexico (54,900 MT).
- As per National Oilseeds Processors Association (NOPA, U.S Soybean crushing declined in May 2019 compared to last month as well as last year record. NOPA members reported 154.79 million bushels soybean crushing in May 2019 lower against 159.99 million bushels in April 2019 and 163.57 million bushels in May 2018. It is also below than expected range of Reuters poll of eight analysts. Soybean oil stocks are reported lower to 1.581 billion pounds in May 2019 compared to 1.787 billion pounds at the end of April 2019 and also below the 1.856 billion pounds in May 2018.
- As per USDA report, US has completed 77% of its Soybean acres as on 16th June 2019 lower from previous year record i.e. 96%. It is also lower from 93% of average 5-year record. USDA expects U.S. Soybean yield size for 2019/20 at 3.33 metric tons per hectare lower from 3.47 metric tons per hectares in 2018/19. As a result, it forecasts lower production estimates at 112.95 million metric tons for 2019/20 lower from 123.66 million metric tons in 2018/19.

Outlook: Soybean prices are likely to trade in weak demand in the market. The Indore (Plant Delivery) prices are expected to trade in the range of 3650 to 3700 in coming day Mustard (42%) spot prices are expected to trade steady to firm tone between 4090 and 4120 per quintal ahead of a day.

Soybean Future Price									
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Jul-19	+38	3585	3638	3560	3596	28410	-430	98430	-8580
Aug-19	+33	3610	3660	3605	3620	14220	1670	31200	4260
Sept-19	-2	3625	3654	3621	3646	1020	500	1500	210
Mustard Future Prices									
Jul-19	+22	3915	3959	3910	3918	23990	10170	94270	-3820
Aug-19	+24	3942	3977	3939	3940	8570	5570	12020	1880
Sept-19	0	3962	3962	3962	3962	-	-	-	-
Soybean Basis -119					Mustard Basis-177				
Spread					Spread				
	Jun-19	Jul-19	Aug-19		Jun-19	Jul-19	Aug-19		
Jul-19	119				Jul-19	177			
Aug-19		95			Aug-19		155		
Sept-19			69		Sept-19			133	

Soybean Stock Position & Fed:				
Stocks	Demat	In-Process	Total	FED
	19-June-19	19-June-19	19-June-19	17-June-19
Akola	17165	0	17165	17164
Indore	3598	0	3598	3598
Kota	1209	0	1209	1208
Sagar	513	0	513	513
Nagpur	20	0	20	20

Rapeseed Stock Position & Fed:				
Stocks	Demat	In-Process	Total	FED
	19-June-19	19-June-19	19-June-19	17-June-19
Sri Ganganagar	2788	0	2788	2788
Bharatpur	-	-	-	-
Bikaner	18794	20	18814	18794
Kota	35476	0	35476	36067
Jaipur	3861	0	3861	3962
Alwar	4578	0	4578	4578
Hapur	-	-	-	-

Oilseed Prices at Key Spot Markets:

Commodity / Centre	Prices (Rs/Qtl)				Change
	20-Jun-19		19-Jun-19		
Soybean	Low	High	Low	High	
Indore –Plant	3700	3715	3740	3750	-35
Indore–Mandi	Closed	Closed	Closed	Closed	-
Nagpur-Plant	3710	3750	3720	3750	Unch
Nagpur – Mandi	3310	3610	3210	3580	30
Latur – Mandi	NA	NA	3260	3675	-
Akola – Mandi	2925	3550	2600	3600	-50
Kota-Plant	3800	3850	3870	3950	-100
Kota – Mandi	3700	3800	3760	3900	-100
Bundi-Plant	3770	3800	3830	3850	-50
Bundi-Mandi	3670	3750	3730	3820	-70
Baran-Plant	3570	3670	3650	3720	-50
Baran-Mandi	3500	3650	3550	3700	-50
Bhawani Mandi Jhalawar–Plant	3580	3680	3630	3730	-50
Jhalwar-Mandi	3560	3600	3620	3670	-70
Rapeseed/Mustard					
Jaipur-(Condition)	4090	4095	4085	4090	5
Alwar-(Condition)	3900	3950	3900	3950	Unch
Sri Ganganagar-(Non-Condition)	3600	3750	3600	3700	50
New Delhi–(Condition)	4000	4030	4000	4030	Unch
Kota-(Condition)	3740	3850	3680	3800	50
Agra-(Condition)	4024	4071	4000	4048	24
Neewai-(Condition)	3800	3900	3800	3900	Unch
Hapur (UP)-(Condition)	3900	3950	3900	3950	Unch
Groundnut Seed					
Rajkot	850	1044	851	1038	6
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
	20-Jun-19	19-Jun-19	
Soybean			
Madhya Pradesh	50000	33000	17000
Maharashtra	70000	65000	5000
Rajasthan	10000	10000	Unch
Bundi (Raj)	15	30	-15
Baran (Raj)	6000	5000	1000
Jhalawar (Raj)	10000	8000	2000
Rapeseed/Mustard			
Rajasthan	95000	95000	Unch
Alwar	3000	4000	-1000
Sri Ganganagar	2500	2500	Unch
Kota	3000	3500	-500
Groundnut Seed			
Rajkot (Gujarat)	588	483	105
Sunflower Seed			
Sholapur (Maharashtra)	NA	NA	-

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

Oilseeds	20-Jun-19	19-Jun-19	Change
Groundnut Kernel	5400	5400	Unch
Gr. Bolds 60/70	7750	7650	100
Gr. Javas 60/70	9500	9400	100
Gr Javas 70/80	9100	9000	100
Gr.Javas 80/90	8800	8700	100
KardiSeed 2% Exp Qly	4700	4700	Unch
Sesame White 98/2/1 FM	11000	11000	Unch
Whitish 95/5/FFA/1FM	10500	10500	Unch
Brown 48/2 FFA/4 FM	9500	9500	Unch
Brown 48/3 FFA/4 FM	9300	9200	100
Brown 48/4 FM/* No FFA Guarantee	9000	9000	Unch
Sunflower Seed	4200	4200	Unch
Niger Seed (4% FM)	5200	5200	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.