

Oilseeds Domestic Fundamentals

- Mixed trends are witnessed in oil seed complex in the market due to the mixed sentiments on Saturday.
- According to the State's Agriculture Department of Gujarat, Vayu monsoon triggered the cultivation in the state and has received about 44mm of rainfall so far, which helped the drought hit regions to rise the sowing of kharif crops like groundnut, cotton. The groundnut cultivation has raised from 5200ha to 22900ha from 10th June to 17th June which is about 40 per cent lower from 37788 ha. in 2018-19. The overall oilseeds acreage stood at 23,068 ha down by 40 per cent from 38,473 ha in 2018-19. However, overall kharif sowing in the State is low by about 8 percent from 207,240 ha in 2019-20 to 225,231 ha in 2018-19. According to the trade sources groundnut cultivation is going to increase when compared to last year because of the massive procurement activities by the state and central government bodies at MSP Rs.4890 and additional Rs.110 from the state government bonus and the effective price is Rs.5000 per quintal, however the prices are Rs.5000-5220 per quintal in the market.
- 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 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.

Oilseeds International Fundamentals

- CBOT Soybean July future contract witnessed strong gain on Thursday in worries of bad weather conditions and strong export sales.
- As per USDA the estimated stocks of soybean in 2018-19 is 27 million tonnes and estimated production of 2019-20 is 113 million tonnes, however the trade between US and china is still unresolved, even with the normal exports the stocks would still more then 20million tonnes in 2019-20. Lower stock estimates in 2019-20 may leads to hike in prices in future.
- As per USDA, wet weather and rains for next five days causes more delay in soybean planting may leads to hike in prices further.
- During this week (7-June to 13-June, 2019) US soybean sales increased by 571,500 MT for 2018/2019 against previous week record. It is also 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 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 firm demand in the market. The Indore (Plant Delivery) prices are expected to trade in the range of 3770 to 3800 in coming day Mustard (42%) spot prices are expected to trade steady to firm tone between 4105 and 4130 per quintal ahead of a day.

Soybean Future Price									
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Jul-19	-26	3936	3647	3600	3631	20480	-7930	94780	-3650
Aug-19	-23	3665	3665	3621	3652	7850	-6370	31980	780
Sept-19	-42	3660	3660	3599	3642	200	-820	1490	-10
Mustard Future Prices									
Jul-19	-19	3943	3955	3920	3942	11430	-12560	92690	-1580
Aug-19	-22	3968	3976	3941	3964	5910	-2660	13320	1300
Sept-19	-23	3986	3965	3963	3986	290	-	210	-
Soybean Basis -44					Mustard Basis-146				
Spread					Spread				
	Jun-19	Jul-19	Aug-19			Jun-19	Jul-19	Aug-19	
Jul-19	44				Jul-19	146			
Aug-19		23			Aug-19		124		
Sept-19			33		Sept-19			102	

Soybean Stock Position & Fed:				
Stocks	Demat	In-Process	Total	FED
	20-June-19	20-June-19	20-June-19	17-June-19
Akola	17165	30	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
	20-June-19	20-June-19	20-June-19	17-June-19
Sri Ganganagar	2788	0	2788	2788
Bharatpur	-	-	-	-
Bikaner	18562	10	18572	18794
Kota	35476	0	35476	36067
Jaipur	3841	0	3841	3962
Alwar	4578	0	4578	4578
Hapur	-	-	-	-

Oilseed Prices at Key Spot Markets:

Commodity / Centre	Prices (Rs/Qtl)				Change
Soybean	22-Jun-19		21-Jun-19		
	Low	High	Low	High	
Indore –Plant	3650	3700	3700	3770	-70
Indore–Mandi	Closed	Closed	Closed	Closed	-
Nagpur-Plant	3710	3750	3710	3750	Unch
Nagpur – Mandi	3310	3640	3420	3625	15
Latur – Mandi	NA	NA	3350	3725	-
Akola – Mandi	2200	3585	3275	3540	45
Kota-Plant	3800	3860	3840	3900	-40
Kota – Mandi	3720	3820	3750	3850	-30
Bundi-Plant	3700	3800	3820	3870	-70
Bundi-Mandi	3620	3700	3740	3800	-100
Baran-Plant	3550	3650	3630	3740	-90
Baran-Mandi	3540	3620	3600	3720	-100
Bhawani Mandi Jhalawar–Plant	3560	3680	3650	3750	-70
Jhalwar-Mandi	3560	3670	3640	3730	-60
Rapeseed/Mustard					
Jaipur-(Condition)	4085	4090	4100	4105	-15
Alwar-(Condition)	3975	4000	3925	3975	25
Sri Ganganagar-(Non-Condition)	3600	3820	3570	3710	110
New Delhi–(Condition)	3990	4020	4010	4040	-20
Kota-(Condition)	3780	3900	3780	3900	Unch
Agra-(Condition)	4024	4071	4024	4071	Unch
Neewai-(Condition)	3830	3930	3830	3930	Unch
Hapur (UP)-(Condition)	3900	3950	3900	3950	Unch
Groundnut Seed					
Rajkot	840	1038	890	1039	-1
Sunflower Seed					
Gulbarga	Closed	Closed	3250	3450	-
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	22-Jun-19	21-Jun-19	
Madhya Pradesh	45000	45000	Unch
Maharashtra	60000	60000	Unch
Rajasthan	10000	10000	Unch
Bundi (Raj)	90	15	75
Baran (Raj)	900	2000	-1100
Jhalawar (Raj)	2000	4000	-2000
Rapeseed/Mustard			
Rajasthan	90000	100000	-10000
Alwar	4000	3000	1000
Sri Ganganagar	2000	1100	900
Kota	3000	3000	Unch
Groundnut Seed			
Rajkot (Gujarat)	588	798	-210
Sunflower Seed			
Sholapur (Maharashtra)	NA	NA	-

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

Oilseeds	22-Jun-19	21-Jun-19	Change
Groundnut Kernel	5450	5450	Unch
Gr. Bolds 60/70	7950	7750	200
Gr. Javas 60/70	9700	9500	200
Gr Javas 70/80	9300	9100	200
Gr.Javas 80/90	9000	8800	200
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	9300	Unch
Brown 48/4 FM/* No FFA Guarantee	9000	9000	Unch
Sunflower Seed	4200	4200	Unch
Niger Seed (4% FM)	5200	5200	Unch

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