

### **Oilseeds Domestic Fundamentals**

- Mostly weak trends are witnessed in oilseed complex in the market. Soybean prices declined in expectation of higher planting acreage and sufficient stocks in the physical market and also more supplies in the market. NCDEX prices of Soybean and Mustard seed declined due to speculators selling pressures.
- As on 21<sup>st</sup> June 2019, Nafed, procured total 5764.45 tonnes of Mustard seed of Rabi season at MSP i.e. 4200 per quintals. It has procured total 10.53 lakh tonnes so far from 480784 farmers. Nafed procured total 5.85 lakh tonnes in Rajasthan states, 2.50 lakh tonnes in Haryana, 0.32 lakh tonnes in MP, 0.33 lakh tonnes in Gujarat and 0.00065 lakh tones in UP.
- 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. Heavy to very heavy rainfall at isolated places very likely over Sub-Himalayan West Bengal & Sikkim and heavy rainfall at isolated places over Kerala & Uttarakhand, Gujarat region, Konkan & Goa, Assam & Meghalaya, Arunachal Pradesh, Madhya Maharashtra, East Rajasthan and Coastal Karnataka in next 5 days.
- 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 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 decreased on Friday due to speculators selling pressure.
- 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' sales record, the stocks would still more than 20 million tonnes in 2019-20. Bad weather and heavy rainfall caused more delay in soybean planting and supported CBOT prices to rise so far.
- As per sources, there is a chance to resume a meeting to resolve trade war between U.S and China at the Group of 20 summit held in Japan starting on June 28,2019. 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. Therefore, it projects lower crop size at 112.95 million metric tons for 2019/20 against 123.66 million metric tons in 2018/19. Lower sowing area, improving exports sale, a sign of easing trade war tensions may support CBOT prices to rise in coming days.
- As per USDA report, US has completed 77% of its Soybean acres as on 16<sup>th</sup> 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 tone due to poor demand in the market. The Indore (Plant Delivery) prices are expected to trade in the range of 3620 to 3650 in coming day. Mustard (42%) spot prices are likely to trade weak tone between 4040 and 4070 per quintal ahead of a day.

Soybean Future Price									
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Jul-19	-4	3601	3614	3587	3611	17980	-2500	89690	-5090
Aug-19	-19	3621	3633	3607	3630	9340	1490	33530	1550
Sept-19	-44	3600	3595	3564	3622	280	80	1550	60
Mustard Future Prices									
Jul-19	-20	3911	3928	3895	3924	14240	2810	89120	-3570
Aug-19	-27	3942	3946	3911	3943	9360	3450	17330	4010
Sept-19	-10	3965	3965	3955	3965	70	-220	270	60
Soybean Basis -64					Mustard Basis-151				
Spread					Spread				
	Jun-19	Jul-19	Aug-19			Jun-19	Jul-19	Aug-19	
Jul-19	64				Jul-19	151			
Aug-19		45			Aug-19		132		
Sept-19			53		Sept-19			110	

Soybean Stock Position & Fed:				
Stocks	Demat	In-Process	Total	FED
	22-June-19	22-June-19	22-June-19	17-June-19
Akola	16995	30	17025	17164
Indore	3598	0	3598	3598
Kota	784	0	784	1208
Sagar	513	0	513	513
Nagpur	20	0	20	20

Rapeseed Stock Position & Fed:				
Stocks	Demat	In-Process	Total	FED
	22-June-19	22-June-19	22-June-19	17-June-19
Sri Ganganagar	2788	0	2788	2788
Bharatpur	-	-	-	-
Bikaner	18572	20	18592	18794
Kota	35476	10	35486	36067
Jaipur	3851	10	3861	3962
Alwar	4578	0	4578	4578
Hapur	-	-	-	-

**Oilseed Prices at Key Spot Markets:**

Commodity / Centre	Prices (Rs/Qtl)				Change
Soybean	24-Jun-19		22-Jun-19		
	Low	High	Low	High	
Indore –Plant	3650	3700	3650	3700	Unch
Indore–Mandi	3500	3650	Closed	Closed	-
Nagpur-Plant	3710	3750	3710	3750	Unch
Nagpur – Mandi	3410	3610	3310	3640	-30
Latur – Mandi	NA	NA	NA	3700	-
Akola – Mandi	3285	3525	2200	3585	-60
Kota-Plant	3700	3800	3800	3860	-60
Kota – Mandi	3650	3765	3720	3820	-55
Bundi-Plant	3600	3700	3700	3800	-100
Bundi-Mandi	3540	3600	3620	3700	-100
Baran-Plant	3470	3580	3550	3650	-70
Baran-Mandi	3450	3565	3540	3620	-55
Bhawani Mandi Jhalawar–Plant	3450	3600	3560	3680	-80
Jhalwar-Mandi	3500	3580	3560	3670	-90
<b>Rapeseed/Mustard</b>					
Jaipur-(Condition)	4070	4075	4085	4090	-15
Alwar-(Condition)	3950	3975	3975	4000	-25
Sri Ganganagar-(Non-Condition)	3600	3700	3600	3820	-120
New Delhi–(Condition)	3970	4000	3990	4020	-20
Kota-(Condition)	3700	3800	3780	3900	-100
Agra-(Condition)	4000	4048	4024	4071	-24
Neewai-(Condition)	3700	3750	3830	3930	-180
Hapur (UP)-(Condition)	3875	3925	3900	3950	-25
<b>Groundnut Seed</b>					
Rajkot	840	1040	840	1038	2
<b>Sunflower Seed</b>					
Gulbarga	NA	NA	Closed	Closed	-
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>24-Jun-19</b>	<b>22-Jun-19</b>	
Madhya Pradesh	45000	45000	Unch
Maharashtra	70000	60000	10000
Rajasthan	10000	10000	Unch
Bundi (Raj)	90	90	Unch
Baran (Raj)	900	900	Unch
Jhalawar (Raj)	3000	2000	1000
<b>Rapeseed/Mustard</b>			
Rajasthan	100000	90000	10000
Alwar	4000	4000	Unch
Sri Ganganagar	2000	2000	Unch
Kota	5000	3000	2000
<b>Groundnut Seed</b>			
Rajkot (Gujarat)	370	588	-218
<b>Sunflower Seed</b>			
Sholapur (Maharashtra)	NA	NA	-

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

Oilseeds	24-Jun-19	22-Jun-19	Change
Groundnut Kernel	5450	5450	Unch
Gr. Bolds 60/70	8050	7950	100
Gr. Javas 60/70	9800	9700	100
Gr Javas 70/80	9400	9300	100
Gr.Javas 80/90	9100	9000	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	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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