

Oilseeds Domestic Fundamentals

- Steady to weak trends are witnessed in oilseed complex in the market. Soybean prices declined due to lack of demand from local crushers and also south based traders and also ample stocks availability in the physical market is also weighing on soybean prices. NCDEX prices of Soybean and Mustard seeds rose today and speculator's buying activity.
- As per the sources, Area under cotton 10-15% is going to replace by groundnut due to delayed monsoon in Gujarat, moreover the state and central government policies for groundnut encouraged to cultivate more area under oilseeds.
- As on 25th June 2019, Nafed, procured total 9484.84 tonnes of Mustard seed of Rabi season at MSP i.e. 4200 per quintals. It has procured total 10.63 lakh tonnes so far from 484888 farmers. Nafed procured total 5.94 lakh tonnes in Rajasthan states, 2.50 lakh tonnes in Haryana, 0.32 lakh tonnes in MP, 0.35 lakh tonnes in Gujarat and 0.00075 lakh tonnes 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 increased on Monday due to heavy rain in mid-west threatened further soy planting.
- As per USDA report, US has completed 88% of Soybean cultivation as on 23rd June 2019 from 77% last week, out of which 59% of the crop is good to excellent, however 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
- 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.

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 4010 and 4040 per quintal ahead of a day.

Soybean Future Price									
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Jul-19	34	3601	3648	3601	3607	17200	-780	83520	-6170
Aug-19	19	3615	3638	3612	3611	10210	870	36030	2500
Sept-19	12	3581	3590	3570	3578	260	-20	1540	-10
Mustard Future Prices									
Jul-19	14	3905	3920	3896	3904	13740	-500	84320	-4800
Aug-19	16	3924	3934	3907	3916	9470	110	22730	5400
Sept-19	-10	3943	3945	3940	3955	380	310	560	290
Soybean Basis -64					Mustard Basis-141				
Spread					Spread				
	Jun-19	Jul-19	Aug-19			Jun-19	Jul-19	Aug-19	
Jul-19	64				Jul-19	141			
Aug-19		45			Aug-19		129		
Sept-19			53		Sept-19			90	

Soybean Stock Position & Fed:				
Stocks	Demat	In-Process	Total	FED
	24-June-19	24-June-19	24-June-19	24-June-19
Akola	17025	0	17025	17024
Indore	3598	0	3598	3598
Kota	784	0	784	783
Sagar	513	0	513	513
Nagpur	20	0	20	20

Rapeseed Stock Position & Fed:				
Stocks	Demat	In-Process	Total	FED
	24-June-19	24-June-19	24-June-19	24-June-19
Sri Ganganagar	2788	0	2788	2788
Bharatpur	-	-	-	-
Bikaner	18259	20	18279	18259
Kota	35476	20	35496	35476
Jaipur	3851	10	3861	3852
Alwar	4578	0	4578	4578
Hapur	-	-	-	-

Oilseed Prices at Key Spot Markets:

Commodity / Centre	Prices (Rs/Qtl)				Change
Soybean	25-Jun-19		24-Jun-19		
	Low	High	Low	High	
Indore –Plant	3650	3700	3650	3700	Unch
Indore–Mandi	3500	3650	3500	3650	Unch
Nagpur-Plant	3700	3740	3710	3750	-10
Nagpur – Mandi	3310	3600	3410	3610	-10
Latur – Mandi	NA	NA	Closed	Closed	-
Akola – Mandi	2750	3525	3285	3525	Unch
Kota-Plant	3640	3730	3700	3800	-70
Kota – Mandi	3600	3700	3650	3765	-65
Bundi-Plant	3570	3660	3600	3700	-40
Bundi-Mandi	3470	3520	3540	3600	-80
Baran-Plant	3430	3520	3470	3580	-60
Baran-Mandi	3380	3500	3450	3565	-65
Bhawani Mandi Jhalawar–Plant	3400	3540	3450	3600	-60
Jhalwar-Mandi	3450	3500	3500	3580	-80
Rapeseed/Mustard					
Jaipur-(Condition)	4040	4045	4070	4075	-30
Alwar-(Condition)	3925	3950	3950	3975	-25
Sri Ganganagar-(Non-Condition)	3550	3650	3600	3700	-50
New Delhi–(Condition)	3920	3950	3970	4000	-50
Kota-(Condition)	3630	3740	3700	3800	-60
Agra-(Condition)	4000	4048	4000	4048	Unch
Neewai-(Condition)	3660	3710	3700	3750	-40
Hapur (UP)-(Condition)	3875	3925	3875	3925	Unch
Groundnut Seed					
Rajkot	851	1045	840	1040	5
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	25-Jun-19	24-Jun-19	
Madhya Pradesh	35000	45000	-10000
Maharashtra	65000	70000	-5000
Rajasthan	10000	10000	Unch
Bundi (Raj)	120	90	30
Baran (Raj)	800	900	-100
Jhalawar (Raj)	5000	3000	2000
Rapeseed/Mustard			
Rajasthan	85000	100000	-15000
Alwar	2000	4000	-2000
Sri Ganganagar	1500	2000	-500
Kota	6000	5000	1000
Groundnut Seed			
Rajkot (Gujarat)	162	370	-208
Sunflower Seed			
Sholapur (Maharashtra)	NA	NA	-

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

Oilseeds	25-Jun-19	24-Jun-19	Change
Groundnut Kernel	5500	5450	50
Gr. Bolds 60/70	8150	8050	100
Gr. Javas 60/70	9900	9800	100
Gr Javas 70/80	9500	9400	100
Gr.Javas 80/90	9200	9100	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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