

Oilseeds Domestic Fundamentals

- Steady to firm trends are witnessed in oilseed complex in the market due to less supplies. 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 declined on Wednesday due to dry weather in mid-west and expectation of improved crop condition.
- 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 firm tone due to less supplies in the market. The Indore (Plant Delivery) prices are expected to trade in the range of 3700 to 3730 in coming day. Mustard (42%) spot prices are likely to trade firm tone between 4060 and 4090 per quintal ahead of a day.

Soybean Future Price									
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Jul-19	46	3632	3689	3629	3641	29560	12360	69260	-14260
Aug-19	10	3628	3651	3597	3630	21040	10830	46220	10190
Sept-19	1	3581	3606	3545	3590	510	250	1720	180
Mustard Future Prices									
Jul-19	26	3920	3950	3907	3918	26370	12630	72190	-12130
Aug-19	28	3930	3965	3916	3932	20620	11150	33430	10700
Sept-19	19	3944	3964	3937	3945	220	-160	660	100
Soybean Basis -59					Mustard Basis-142				
Spread					Spread				
	Jun-19	Jul-19	Aug-19			Jun-19	Jul-19	Aug-19	
Jul-19	59				Jul-19	142			
Aug-19		70			Aug-19		128		
Sept-19			110		Sept-19			115	

Soybean Stock Position & Fed:				
Stocks	Demat	In-Process	Total	FED
	25-June-19	25-June-19	25-June-19	24-June-19
Akola	17024	0	17024	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
	25-June-19	25-June-19	25-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	26-Jun-19		25-Jun-19		
	Low	High	Low	High	
Indore –Plant	3650	3700	3650	3700	Unch
Indore–Mandi	3525	3675	3500	3650	25
Nagpur-Plant	3710	3740	3700	3740	Unch
Nagpur – Mandi	3310	3600	3310	3600	Unch
Latur – Mandi	NA	NA	3605	3685	-
Akola – Mandi	3300	3525	2750	3525	Unch
Kota-Plant	3750	3850	3640	3730	120
Kota – Mandi	3700	3830	3600	3700	130
Bundi-Plant	3640	3750	3570	3660	90
Bundi-Mandi	3530	3650	3470	3520	130
Baran-Plant	3550	3670	3430	3520	150
Baran-Mandi	3500	3650	3380	3500	150
Bhawani Mandi Jhalawar–Plant	3600	3725	3400	3540	185
Jhalwar-Mandi	3550	3650	3450	3500	150
Rapeseed/Mustard					
Jaipur-(Condition)	4055	4060	4040	4045	15
Alwar-(Condition)	3925	3950	3925	3950	Unch
Sri Ganganagar-(Non-Condition)	3575	3675	3550	3650	25
New Delhi–(Condition)	3940	3970	3920	3950	20
Kota-(Condition)	3660	3770	3630	3740	30
Agra-(Condition)	4024	4071	4000	4048	24
Neewai-(Condition)	3720	3770	3660	3710	60
Hapur (UP)-(Condition)	3875	3925	3875	3925	Unch
Groundnut Seed					
Rajkot	830	1051	851	1045	6
Sunflower Seed					
Gulbarga	NA	NA	3502	3678	-
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	26-Jun-19	25-Jun-19	
Madhya Pradesh	35000	35000	Unch
Maharashtra	60000	65000	-5000
Rajasthan	8000	10000	-2000
Bundi (Raj)	250	120	130
Baran (Raj)	400	800	-400
Jhalawar (Raj)	1500	5000	-3500
Rapeseed/Mustard			
Rajasthan	85000	85000	Unch
Alwar	3000	2000	1000
Sri Ganganagar	1300	1500	-200
Kota	1500	6000	-4500
Groundnut Seed			
Rajkot (Gujarat)	672	162	510
Sunflower Seed			
Sholapur (Maharashtra)	NA	NA	-

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

Oilseeds	26-Jun-19	25-Jun-19	Change
Groundnut Kernel	5500	5500	Unch
Gr. Bolds 60/70	8150	8150	Unch
Gr. Javas 60/70	9900	9900	Unch
Gr Javas 70/80	9500	9500	Unch
Gr.Javas 80/90	9200	9200	Unch
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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