

Oilseeds Domestic Fundamentals

- Ups and downs are witnessed in soybean today due to fluctuating demand from the local crushers and more supplies in the market. Steady to firm tone witnessed in mustard seed today due to demand from the local traders. NCDEX soybean prices are fell down due to the speculators selling pressure, whereas Mustard seeds rose up due to positive demand in spot market.
- 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 27th June 2019, Nafed, procured total 4725.99 tonnes of Mustard seed of Rabi season at MSP i.e. 4200 per quintals. It has procured total 10.73 lakh tonnes so far from 489202 farmers. Nafed procured total 6.02 lakh tonnes in Rajasthan states, 2.50 lakh tonnes in Haryana, 0.32 lakh tonnes in MP, 0.36 lakh tonnes in Gujarat and 0.00081 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.

Oilseeds International Fundamentals

- CBOT Soybean July future contract declined on Wednesday due to dry weather in mid-west and expectation of improved crop condition.
- During the week (June 14 -June 20, 2019) US sold 168,200 MT for 2018/2019, were down by 71 percent from the previous week and 61 percent from the prior 4-week average. Increases were reported for China (79,600 MT, including 136,000 MT switched from unknown destinations and decreases of 65,600 MT), Mexico (58,200 MT), Tunisia (22,600 MT, switched from Switzerland), Germany (19,100 MT), and Japan (12,100 MT, including 10,700 MT switched from unknown destinations and decreases of 200 MT). Reductions were reported for unknown destinations (38,700 MT) and Switzerland (21,500 MT). For 2019/2020, net sales of 319,600 MT were for unknown destinations (98,000 MT), Mexico (92,400 MT), Pakistan (66,000 MT), China (63,000 MT), and Canada (200 MT). Exports of 725,100 MT were down 2 percent from the previous week, but up 18 percent from the prior 4-week average. The destinations were primarily to China (529,600 MT), Mexico (45,000 MT), Indonesia (26,500 MT), Tunisia (22,600 MT), and Germany (19,100 MT).
- 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 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 more supplies in the market. The Indore (Plant Delivery) prices are expected to trade in the range of 3690 to 3725 in coming day. Mustard (42%) spot prices are likely to trade firm tone between 4050 and 4070 per quintal ahead of a day.

Soybean Future Price									
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Jul-19	4	3685	3692	3664	3680	18180	-11380	67340	-1920
Aug-19	0	3635	3650	3631	3646	7250	-13790	47990	1770
Sept-19	19	3583	3600	3577	3574	320	-190	1830	110
Mustard Future Prices									
Jul-19	-4	3950	3969	3927	3948	15730	-10640	67910	-4280
Aug-19	-5	3965	3978	3945	3961	9800	-10820	36550	3120
Sept-19	36	3949	3985	3985	3949	10	-210	660	0
Soybean Basis -40					Mustard Basis-122				
Spread					Spread				
	Jun-19	Jul-19	Aug-19			Jun-19	Jul-19	Aug-19	
Jul-19	40				Jul-19	122			
Aug-19		74			Aug-19		109		
Sept-19			146		Sept-19			121	

Soybean Stock Position & Fed:				
Stocks	Demat	In-Process	Total	FED
	26-June-19	26-June-19	26-June-19	24-June-19
Akola	17024	30	17055	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
	26-June-19	26-June-19	26-June-19	24-June-19
Sri Ganganagar	2788	0	2788	2788
Bharatpur	-	-	-	-
Bikaner	18279	0	18279	18259
Kota	35486	10	35496	35476
Jaipur	3811	0	3861	3852
Alwar	4578	0	4578	4578
Hapur	-	-	-	-

Oilseed Prices at Key Spot Markets:

Commodity / Centre	Prices (Rs/Qtl)				Change
Soybean	27-Jun-19		26-Jun-19		
	Low	High	Low	High	
Indore –Plant	3675	3725	3650	3700	25
Indore–Mandi	3550	3700	3525	3675	25
Nagpur-Plant	3710	3740	3710	3740	Unch
Nagpur – Mandi	3360	3580	3310	3600	-20
Latur – Mandi	NA	NA	3650	3685	-
Akola – Mandi	3200	3535	3300	3525	10
Kota-Plant	3670	3800	3750	3850	-50
Kota – Mandi	3650	3750	3700	3830	-80
Bundi-Plant	3600	3700	3640	3750	-50
Bundi-Mandi	3500	3600	3530	3650	-50
Baran-Plant	3500	3600	3550	3670	-70
Baran-Mandi	3450	3570	3500	3650	-80
Bhawani Mandi Jhalawar–Plant	3560	3680	3600	3725	-45
Jhalwar-Mandi	3500	3600	3550	3650	-50
Rapeseed/Mustard					
Jaipur-(Condition)	4065	4070	4055	4060	10
Alwar-(Condition)	3975	4000	3925	3950	50
Sri Ganganagar-(Non-Condition)	3570	3780	3575	3675	105
New Delhi–(Condition)	3950	3980	3940	3970	10
Kota-(Condition)	3700	3800	3660	3770	30
Agra-(Condition)	4024	4071	4024	4071	Unch
Neewai-(Condition)	3720	3770	3720	3770	Unch
Hapur (UP)-(Condition)	3875	3925	3875	3925	Unch
Groundnut Seed					
Rajkot	872	1063	830	1051	12
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	27-Jun-19	26-Jun-19	
Madhya Pradesh	45000	35000	10000
Maharashtra	65000	60000	5000
Rajasthan	10000	8000	2000
Bundi (Raj)	70	250	-180
Baran (Raj)	700	400	300
Jhalawar (Raj)	900	1500	-600
Rapeseed/Mustard			
Rajasthan	85000	85000	Unch
Alwar	5000	3000	2000
Sri Ganganagar	1000	1300	-300
Kota	2000	1500	500
Groundnut Seed			
Rajkot (Gujarat)	378	672	-294
Sunflower Seed			
Sholapur (Maharashtra)	NA	NA	-

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

Oilseeds	27-Jun-19	26-Jun-19	Change
Groundnut Kernel	5500	5500	Unch
Gr. Bolds 60/70	8250	8150	100
Gr. Javas 60/70	10000	9900	100
Gr Javas 70/80	9600	9500	100
Gr.Javas 80/90	9300	9200	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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