

Oilseeds Domestic Fundamentals

- Mostly week trend witnessed in soybean complex today due to the poor demand from the local crushers and south based traders, Whereas Mustard seeds remains steady due to ample stocks availability in the physical market. NCDEX Oilseeds complex prices are fell down due to speculators selling pressure
- As per the sources, In Maharashtra due to delay in monsoon the crop has declined 97% compared to last year according to the first sowing report by state department of agriculture. As of June-18th, the sowing has been reported only 39176 Ha. Of land compared to 12.04 lakh Ha. by June-22nd previous year. The crops that affected at most are Oilseeds and pulses. Moreover, this year only 137 Ha of oilseeds have been sown compared to 3.33 lakh Ha. Previous year.
- 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 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.

Oilseeds International Fundamentals

- CBOT Soybean July future contract declined on Thursday 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 poor demand in the market. The Indore (Plant Delivery) prices are expected to trade in the range of 3650 to 3675 in coming day. Mustard (42%) spot prices are likely to trade weak 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	-11	3677	3685	3665	3682	9300	-8880	65230	-2110
Aug-19	-5	3638	3660	3634	3647	3610	-3640	48800	810
Sept-19	4	3594	3603	3581	3591	160	-160	1890	60
Mustard Future Prices									
Jul-19	-7	3946	3955	3931	3946	11070	-4660	64460	-3450
Aug-19	-5	3957	3965	3950	3961	8400	-1400	39490	2940
Sept-19	1	3976	3977	3970	3976	240	230	820	160
Soybean Basis -43					Mustard Basis-129				
Spread					Spread				
	Jun-19	Jul-19	Aug-19			Jun-19	Jul-19	Aug-19	
Jul-19	43				Jul-19	129			
Aug-19		78			Aug-19		114		
Sept-19			134		Sept-19			99	

Soybean Stock Position & Fed:				
Stocks	Demat	In-Process	Total	FED
	27-June-19	27-June-19	27-June-19	24-June-19
Akola	16749	31	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
	27-June-19	27-June-19	27-June-19	24-June-19
Sri Ganganagar	2788	0	2788	2788
Bharatpur	-	-	-	-
Bikaner	17976	0	17976	18259
Kota	35486	10	35496	35476
Jaipur	3811	0	3811	3852
Alwar	4578	0	4578	4578
Hapur	-	-	-	-

Oilseed Prices at Key Spot Markets:

Commodity / Centre	Prices (Rs/Qtl)				Change
Soybean	28-Jun-19		27-Jun-19		
	Low	High	Low	High	
Indore –Plant	3675	3725	3675	3725	Unch
Indore–Mandi	3525	3650	3550	3700	-50
Nagpur-Plant	3710	3740	3710	3740	Unch
Nagpur – Mandi	3360	3510	3360	3580	-70
Latur – Mandi	NA	NA	3580	3715	-
Akola – Mandi	3300	3550	3200	3535	15
Kota-Plant	3650	3770	3670	3800	-30
Kota – Mandi	3620	3715	3650	3750	-35
Bundi-Plant	3560	3670	3600	3700	-30
Bundi-Mandi	3480	3550	3500	3600	-50
Baran-Plant	3450	3550	3500	3600	-50
Baran-Mandi	3400	3520	3450	3570	-50
Bhawani Mandi Jhalawar–Plant	3500	3600	3560	3680	-80
Jhalwar-Mandi	3400	3500	3500	3600	-100
Rapeseed/Mustard					
Jaipur-(Condition)	4070	4075	4065	4070	5
Alwar-(Condition)	3975	4000	3975	4000	Unch
Sri Ganganagar-(Non-Condition)	3570	3780	3570	3780	Unch
New Delhi–(Condition)	3950	3980	3950	3980	Unch
Kota-(Condition)	3720	3830	3700	3800	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	850	1080	872	1063	17
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	28-Jun-19	27-Jun-19	
Madhya Pradesh	45000	45000	Unch
Maharashtra	60000	65000	-5000
Rajasthan	8000	10000	-2000
Bundi (Raj)	60	70	-10
Baran (Raj)	1300	700	600
Jhalawar (Raj)	1000	900	100
Rapeseed/Mustard			
Rajasthan	85000	85000	Unch
Alwar	5000	5000	Unch
Sri Ganganagar	1200	1000	200
Kota	2000	2000	Unch
Groundnut Seed			
Rajkot (Gujarat)	600	378	222
Sunflower Seed			
Sholapur (Maharashtra)	NA	NA	-

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

Oilseeds	28-Jun-19	27-Jun-19	Change
Groundnut Kernel	5500	5500	Unch
Gr. Bolds 60/70	8350	8250	100
Gr. Javas 60/70	10100	10000	100
Gr Javas 70/80	9700	9600	100
Gr.Javas 80/90	9400	9300	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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