

Oilseeds Domestic Fundamentals

- Steady to firm trend has witnessed in Oilseeds complex today due to decreased supplies in the 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 rose up on Friday due to improved demand from Chinese importers.
- As per USDA, China has imported 544000MT soybean on Friday after US and China at the Group of 20 summit held in Japan starting on June 28, 2019. China agreed to import 14 million tonnes from US, more than 8 million tonnes has been shipped to China, still 6 million tonnes including Friday sale need to be delivered.
- 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

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 3690 to 3725 in coming day. Mustard (42%) spot prices are likely to trade firm tone between 4060 and 4085 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	29-Jun-19		28-Jun-19		
	Low	High	Low	High	
Indore –Plant	3675	3725	3675	3725	Unch
Indore–Mandi	3525	3650	3525	3650	Unch
Nagpur-Plant	3720	3750	3710	3740	10
Nagpur – Mandi	3435	3610	3360	3510	100
Latur – Mandi	NA	NA	3570	3690	-
Akola – Mandi	3400	3560	3300	3550	10
Kota-Plant	3650	3770	3650	3770	Unch
Kota – Mandi	3620	3715	3620	3715	Unch
Bundi-Plant	3560	3670	3560	3670	Unch
Bundi-Mandi	3480	3550	3480	3550	Unch
Baran-Plant	3500	3600	3450	3550	50
Baran-Mandi	3450	3565	3400	3520	45
Bhawani Mandi Jhalawar–Plant	3560	3680	3500	3600	80
Jhalwar-Mandi	3500	3600	3400	3500	100
Rapeseed/Mustard					
Jaipur-(Condition)	4080	4085	4070	4075	10
Alwar-(Condition)	3975	4000	3975	4000	Unch
Sri Ganganagar-(Non-Condition)	3575	3735	3570	3780	-45
New Delhi–(Condition)	3960	3990	3950	3980	10
Kota-(Condition)	3720	3830	3720	3830	Unch
Agra-(Condition)	4048	4095	4024	4071	24
Neewai-(Condition)	3720	3770	3720	3770	Unch
Hapur (UP)-(Condition)	3875	3925	3875	3925	Unch
Groundnut Seed					
Rajkot	850	1080	850	1080	Unch
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	29-Jun-19	28-Jun-19	
Madhya Pradesh	45000	45000	Unch
Maharashtra	60000	60000	Unch
Rajasthan	8000	8000	Unch
Bundi (Raj)	60	60	Unch
Baran (Raj)	1000	1300	-300
Jhalawar (Raj)	800	1000	-200
Rapeseed/Mustard			
Rajasthan	75000	85000	-10000
Alwar	5000	5000	Unch
Sri Ganganagar	700	1200	-500
Kota	2200	2000	200
Groundnut Seed			
Rajkot (Gujarat)	735	600	135
Sunflower Seed			
Sholapur (Maharashtra)	NA	NA	-

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

Oilseeds	29-Jun-19	28-Jun-19	Change
Groundnut Kernel	5600	5500	100
Gr. Bolds 60/70	8350	8350	Unch
Gr. Javas 60/70	10100	10100	Unch
Gr Javas 70/80	9700	9700	Unch
Gr.Javas 80/90	9400	9400	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

Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/disclaimer.php> © 2019 Indian Agribusiness Systems Ltd.