

### **Oilseeds Domestic Fundamentals**

- Mixed trends are witnessed in soybean complex today due to mixed sentiments in the market. Steady to weak tone has been witnessed in RM seeds due to declined demand from the local crushers. NCDEX Soybean and RM seed prices declined due to speculators selling pressure. Hike in MSP, expectation of good sowing area may further put pressure on soybean prices.
- As per Mustard Oil Producers Association of India, the estimated mustard output in the country at 8.1million tonnes in 2018-19, up from 7.1million tonnes in the previous year. However, this estimate is lower than the 3<sup>rd</sup> advanced estimate 8.8million tonnes. Totals mustard arrivals in the month of June 705000 tonnes against 1.15 million tonnes in May month out of which 650000 tonnes of mustard seeds in June has been used for crushing, over 13% lower from the May month.
- Government of India has hiked MSP of soybean by Rs 311 per qtl to Rs 3710 per qtl from Rs 3,399 per qtl.
- According to the state agriculture department of Gujarat, as on July 1<sup>st</sup> 2019, total Kharif sowing in the state is reported as 28.24 lakh hectares about 33% of the three-year normal acreage of 84.76 lakh hectares. Sowing of groundnut saw a sharp jump of 14.35 lakh hectares covers about 63% to the normal sowing area of the crop. However, Pulses are least preferred although the gave good returns last year because of increased monsoon activity, brightened the groundnut and cotton sowing in the state.
- As per sources, due to delayed monsoon at Madhya Pradesh kharif sowing has been slowed down. According to the Regional agricultural department only 45% sowing has completed in Indore division. Total area covered under Indore division is 22 lakh hectares out of which soybean has planted around 3 lakh hectares against 8.55 lakh hectares previous year and cotton has been planted in 3.42 lakh hectares against 5.21 lakh hectares previous year, however sowing will extend until July 1<sup>st</sup> week, officials are expecting for improvement in sowing activities.
- According to the ministry of Agriculture, total area planted under all crops during kharif season is 142.61 lakh hectares has been reported compared with normal corresponding week is 162.07 lakh hectares previous year and normal five years average is 196.66 lakh hectares. Total oil seeds kharif sowing area as on 28<sup>th</sup> June 2019 about 13.43 lakh Ha. has been reported compared to normal corresponding week (24.19 lakh Ha.) from previous year. Thus 10.76 lakh. Ha less area has been covered compared to normal corresponding week in previous year. Major sowing area is reported from the state of Gujarat (2.26 lakh Ha.), Rajasthan (2.25 lakh Ha.), Uttarakhand (0.06 lakh Ha) Madhya Pradesh (7.69 lakh ha), Maharashtra (3.01 lakh Ha), Karnataka (2.62 lakh ha.), Telangana (0.94 lakh ha), Andhra Pradesh (0.83 lakh Ha), Odisha(0.19 lakh ha) etc.

### **Oilseeds International Fundamentals**

- CBOT Soybean July future contract declined on Friday due to ample stocks availability and improved crop condition.
- During the week (June 21 -June 27, 2019) US sold 867,600 MT for 2018/2019, were up noticeably from the previous week and from the prior 4-week average. Increases were reported for China (607,300 MT, including 68,000 MT switched from unknown destinations and decreases of 4,900 MT), Mexico (66,600 MT, including decreases of 1,100 MT), the Netherlands (63,900 MT, including 60,000 MT switched from unknown destinations), Malaysia (45,000 MT, including 24,000 MT switched from unknown destinations), and Indonesia (43,900 MT, including decreases of 800 MT). Reductions were reported for unknown destinations (54,000 MT) and Egypt (6,000 MT). For 2019/2020, net sales of 161,500 MT were primarily for Taiwan (86,000 MT) and unknown destinations (66,000 MT). Exports of 791,700 MT were up 9 percent from the previous week and 14 percent from the prior 4-week average. The destinations were primarily to China (396,700 MT), Mexico (88,000 MT), Egypt (69,000 MT), the Netherlands (63,900 MT), and Malaysia (46,100 MT).
- As per USDA annual acreage report on 28<sup>th</sup> June, farmers planted 80.0Million acres of soybean compared to the march forecasts 84.6 million acres, however analysts are expected 84.4 million acres of soybean due to delay in corn planting farmers had boosted their soybean cultivation.
- According to the sources soybean planting area in China is expected to reach 8.7 million hectares this year, up by 0.66 million hectares has been noted compared with previous year. To ensure the sufficient supply and self-sufficiency the country encouraged to plant soybean early and aimed to reach 9.36 million hectares by 2020.

**Outlook:** Weak trends are witnessed in soybean complex today due to lack demand in the market. The Indore (Plant Delivery) prices are expected to trade in the range of 3600 to 3630 in coming day. Mustard (42%) spot prices are likely to trade in the range of 4050 and 4080 per quintal ahead of a day.

Soybean Future Price									
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Jul-19	-24	3615	3641	3592	3601	17290	-1550	30300	-5790
Aug-19	-16	3645	3668	3625	3637	23170	-560	72240	5430
Sept-19	-19	3670	3680	3644	3651	3960	-3030	11050	1510
Mustard Future Prices									
Jul-19	-7	3931	3946	3902	3922	11320	2500	39840	-4220
Aug-19	-14	3962	3980	3929	3944	17850	7270	59200	2890
Sept-19	-17	3998	3998	3962	3966	450	-3970	5470	100
Soybean Basis -49					Mustard Basis-168				
Spread					Spread				
	July-19	Aug-19	Sept-19			July-19	Aug-19	Sept-19	
Jul-19	49				Jul-19	168			
Aug-19		13			Aug-19		146		
Sept-19			-1		Sept-19			124	

Soybean Stock Position & Fed:				
Stocks	Demat	In-Process	Total	FED
	04-Jul-19	04-Jul-19	04-Jul-19	01-Jul-19
Akola	17005	0	17055	17005
Indore	2275	0	2275	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
	04-Jul-19	04-Jul-19	04-Jul-19	01-Jul-19
Sri Ganganagar	2788	0	2788	2788
Bharatpur	-	-	-	-
Bikaner	17331	0	17331	17976
Kota	34720	10	34730	35536
Jaipur	3732	0	3732	3812
Alwar	4477	0	4477	4578
Hapur	-	-	-	-

**Oilseed Prices at Key Spot Markets:**

Commodity / Centre	Prices (Rs/Qtl)				Change
Soybean	06-Jul-19		05-Jul-19		
	Low	High	Low	High	
Indore –Plant	3580	3650	3580	3650	Unch
Indore–Mandi	3400	3500	3400	3500	Unch
Nagpur-Plant	3700	3730	3720	3750	-20
Nagpur – Mandi	3210	3540	3310	3610	-70
Latur – Mandi	NA	NA	3670	3710	-
Akola – Mandi	2900	3575	3200	3600	-25
Kota-Plant	3800	3850	3700	3750	100
Kota – Mandi	3700	3750	3650	3700	50
Bundi-Plant	3700	3750	3620	3670	80
Bundi-Mandi	3600	3650	3500	3600	50
Baran-Plant	3650	3700	3600	3650	50
Baran-Mandi	3600	3670	3520	3580	90
Bhawani Mandi Jhalawar–Plant	3800	3850	3700	3750	100
Jhalwar-Mandi	3650	3760	3550	3660	100
<b>Rapeseed/Mustard</b>					
Jaipur-(Condition)	4065	4070	4085	4090	-20
Alwar-(Condition)	3900	3950	3925	3975	-25
Sri Ganganagar-(Non-Condition)	3570	3720	3600	3750	-30
New Delhi–(Condition)	3880	3930	3900	3950	-20
Kota-(Condition)	3480	3580	3540	3625	-45
Agra-(Condition)	4000	4024	4048	4071	-48
Neewai-(Condition)	3750	3800	3750	3800	Unch
Hapur (UP)-(Condition)	3875	3900	3875	3900	Unch
<b>Groundnut Seed</b>					
Rajkot	855	1100	850	1099	1
<b>Sunflower Seed</b>					
Gulbarga	NA	NA	3452	3576	-
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
<b>Soybean</b>	<b>06-Jul-19</b>	<b>05-Jul-19</b>	
Madhya Pradesh	30000	30000	Unch
Maharashtra	45000	45000	Unch
Rajasthan	8000	8000	Unch
Bundi (Raj)	20	20	Unch
Baran (Raj)	700	400	300
Jhalawar (Raj)	800	400	400
<b>Rapeseed/Mustard</b>			
Rajasthan	70000	80000	-10000
Alwar	3000	1000	2000
Sri Ganganagar	1200	1000	200
Kota	1200	800	400
<b>Groundnut Seed</b>			
Rajkot (Gujarat)	360	240	120
<b>Sunflower Seed</b>			
Sholapur (Maharashtra)	NA	NA	-

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

Oilseeds	6-Jul-19	5-Jul-19	Change
Groundnut Kernel	5600	5600	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	4850	4850	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)	5300	5300	Unch

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