

Oilseeds Domestic Fundamentals

- Weak trends are witnessed in Soybean complex today due to increased supplies and lack of demand from the local crushers and south based traders. RM seed shows firm trend due to increased demand and less supplies in the market. 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.
- According to the ministry of Agriculture, total area sown under all crops by 8th July 2019 is 23.43 million ha. Against 31.96 million ha. last year Which is less by 8.53 million ha. The total area sown during the entire kharif season is around 106.36 million ha. The short fall is mainly due to the drop-in acreage of pulses and oilseeds. The area of pulses is down by 70% while oilseeds is down by 43%, Cotton is down by 16%, Paddy is down by 24%, while the drop-in area of coarse cereals, which includes maize, jowar, ragi and bajra is around 26.5%. However, this can change soon as the government has announced the higher support price and monsoon is now on upswing.
- 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 3rd 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 1st 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 1st week, officials are expecting for improvement in sowing activities.

Oilseeds International Fundamentals

- CBOT Soybean July future contract rose on Monday due to declined crop condition and improved export demand.
- As per USDA, US completed 96% of soybean planting against 88% last week out of which, 90% crop is emerged 53% of the crop condition is good to excellent, 10% is at blooming stage, 32% of the crop is average. However, annual acreage report on 28th 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.
- As per USDA, the Chinese soybean production estimated for 2019-20 is 16.8 million MT up by 5.7% from 2018-19, due to the increased government subsidies, acreage expansion and slightly higher expected yield. However, China imported 42.4 million MT of soybeans during the first 7 months of 2018-19, down by 8.2 million MT compared to same period last year. Imports are estimated to be down from 84 million MT in 2018-19 to 83 million MT in 2019-20.
- 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).

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 3570 to 3595 in coming day. Mustard (42%) spot prices are likely to trade in the range of 4000 and 4050 per quintal ahead of a day.

Soybean Future Price									
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Jul-19	-21	3554	3554	3454	3511	13130	-3800	16120	-8220
Aug-19	1	3580	3594	3543	3585	33830	8150	72830	-5340
Sept-19	1	3600	3614	3579	3604	5870	1300	13590	840
Mustard Future Prices									
Jul-19	11	3886	3892	3863	3890	17380	4520	24910	-8810
Aug-19	9	3906	3914	3558	3912	23280	710	67190	3250
Sept-19	14	3939	3953	3922	3953	10370	5990	11980	4640
Soybean Basis -49					Mustard Basis-160				
Spread					Spread				
	July-19	Aug-19	Sept-19			July-19	Aug-19	Sept-19	
Jul-19	49				Jul-19	160			
Aug-19		-25			Aug-19		138		
Sept-19			-44		Sept-19			97	

Soybean Stock Position & Fed:				
Stocks	Demat	In-Process	Total	FED
	08-Jul-19	08-Jul-19	08-Jul-19	08-Jul-19
Akola	16141	0	16141	16141
Indore	2275	0	2275	2275
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
	08-Jul-19	08-Jul-19	08-Jul-19	08-Jul-19
Sri Ganganagar	2283	0	2283	2283
Bharatpur	-	-	-	-
Bikaner	17241	0	17241	17240
Kota	34670	0	34670	34670
Jaipur	3682	0	3682	3682
Alwar	4386	0	4386	4386
Hapur	-	-	-	-

Oilseed Prices at Key Spot Markets:

Commodity / Centre	Prices (Rs/Qtl)				Change
Soybean	09-Jul-19		08-Jul-19		
	Low	High	Low	High	
Indore –Plant	3490	3560	3530	3600	-40
Indore–Mandi	3300	3400	3400	3450	-50
Nagpur-Plant	3620	3650	3700	3720	-70
Nagpur – Mandi	3385	3585	3310	3590	-5
Latur – Mandi	NA	NA	NA	NA	-
Akola – Mandi	3300	3560	3000	3595	-35
Kota-Plant	3660	3700	3720	3740	-40
Kota – Mandi	3570	3615	3600	3650	-35
Bundi-Plant	3500	3550	3600	3650	-100
Bundi-Mandi	3450	3500	3500	3550	-50
Baran-Plant	3520	3560	3560	3600	-40
Baran-Mandi	3450	3500	3500	3540	-40
Bhawani Mandi Jhalawar–Plant	3600	3680	3700	3750	-70
Jhalwar-Mandi	3500	3550	3550	3650	-100
Rapeseed/Mustard					
Jaipur-(Condition)	4050	4055	4060	4065	-10
Alwar-(Condition)	3900	3950	3870	3920	30
Sri Ganganagar-(Non-Condition)	3600	3750	3450	3685	65
New Delhi–(Condition)	3900	3950	3850	3900	50
Kota-(Condition)	3500	3575	3400	3500	75
Agra-(Condition)	4024	4048	3976	4000	48
Neewai-(Condition)	3750	3800	3700	3750	50
Hapur (UP)-(Condition)	3900	3925	3850	3875	50
Groundnut Seed					
Rajkot	900	1035	850	1040	-5
Sunflower Seed					
Gulbarga	3250	3550	3250	3450	100
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	09-Jul-19	08-Jul-19	
Madhya Pradesh	120000	90000	30000
Maharashtra	60000	70000	-10000
Rajasthan	12000	8000	4000
Bundi (Raj)	10	20	-10
Baran (Raj)	1500	340	1160
Jhalawar (Raj)	2000	600	1400
Rapeseed/Mustard			
Rajasthan	70000	80000	-10000
Alwar	4000	3000	1000
Sri Ganganagar	1000	800	200
Kota	2500	2000	500
Groundnut Seed			
Rajkot (Gujarat)	460	1260	-800
Sunflower Seed			
Sholapur (Maharashtra)	NA	NA	-

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

Oilseeds	9-Jul-19	8-Jul-19	Change
Groundnut Kernel	5550	5550	Unch
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	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	9400	9400	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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