

Oilseeds Domestic Fundamentals

- Mixed trends are witnessed in Oilseeds complex today due to the mixed sentiments in the market. NCDEX Soybean prices rose up due to traders wants to book profits at current level. 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 sources, India's cotton output is estimated as 36.10 million bales (1 bale=170 kg) for 2019-20 compared to 37 million bales estimated for the previous year. Cotton output in India was impacted last year due to drought in many cotton growing states including Maharashtra, Telangana and Andhra Pradesh. However, this year also due to delayed monsoon, resulted in shifting of kharif crops from cotton to oilseeds due to better price realization and higher MSP. Moreover, cotton is declined by 8% so far and groundnut rose up by 7% so far this season.
- 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.

Oilseeds International Fundamentals

- CBOT Soybean July future contract rose on Tuesday 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: Mixed trends are witnessed in soybean complex today due mixed sentiments in the market. The Indore (Plant Delivery) prices are expected to trade in the range of 3560 to 3590 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	19	3492	3540	3491	3523	5430	-7700	12100	-4020
Aug-19	-5	3577	3610	3575	3577	19110	-14720	73170	340
Sept-19	-16	3605	3616	3584	3594	3340	-2530	14150	560
Mustard Future Prices									
Jul-19	-19	3890	3895	3586	3870	16010	-1370	15590	-9320
Aug-19	-1	3911	3924	3902	3910	20620	-2660	73130	5940
Sept-19	-3	3958	3958	3941	3949	1630	-8740	12500	520
Soybean Basis -77					Mustard Basis-195				
Spread					Spread				
	July-19	Aug-19	Sept-19			July-19	Aug-19	Sept-19	
Jul-19	77				Jul-19	195			
Aug-19		23			Aug-19		155		
Sept-19			6		Sept-19			116	

Soybean Stock Position & Fed:				
Stocks	Demat	In-Process	Total	FED
	09-Jul-19	09-Jul-19	09-Jul-19	08-Jul-19
Akola	15962	0	15962	16141
Indore	2275	0	2275	2275
Kota	40	0	40	783
Sagar	513	0	513	513
Nagpur	20	0	20	20

Rapeseed Stock Position & Fed:				
Stocks	Demat	In-Process	Total	FED
	09-Jul-19	09-Jul-19	09-Jul-19	08-Jul-19
Sri Ganganagar	2081	0	2081	2283
Bharatpur	-	-	-	-
Bikaner	17110	0	17110	17240
Kota	34670	0	34670	34670
Jaipur	3642	0	3642	3682
Alwar	4386	0	4386	4386
Hapur	-	-	-	-

Oilseed Prices at Key Spot Markets:

Commodity / Centre	Prices (Rs/Qtl)				Change
Soybean	10-Jul-19		09-Jul-19		
	Low	High	Low	High	
Indore –Plant	3550	3600	3490	3560	40
Indore–Mandi	3450	3550	3300	3400	150
Nagpur-Plant	3620	3650	3620	3650	Unch
Nagpur – Mandi	3300	3600	3385	3585	15
Latur – Mandi	3490	3625	3580	3660	-35
Akola – Mandi	3200	3590	3300	3560	30
Kota-Plant	3550	3600	3660	3700	-100
Kota – Mandi	3500	3550	3570	3615	-65
Bundi-Plant	3500	3550	3500	3550	Unch
Bundi-Mandi	3350	3500	3450	3500	Unch
Baran-Plant	3450	3500	3520	3560	-60
Baran-Mandi	3400	3450	3450	3500	-50
Bhawani Mandi Jhalawar–Plant	3550	3600	3600	3680	-80
Jhalwar-Mandi	3450	3500	3500	3550	-50
Rapeseed/Mustard					
Jaipur-(Condition)	4060	4065	4050	4055	10
Alwar-(Condition)	3900	3950	3900	3950	Unch
Sri Ganganagar-(Non-Condition)	3650	3800	3600	3750	50
New Delhi–(Condition)	3900	3925	3900	3950	-25
Kota-(Condition)	3550	3575	3500	3575	Unch
Agra-(Condition)	4048	4071	4024	4048	24
Neewai-(Condition)	3700	3750	3750	3800	-50
Hapur (UP)-(Condition)	3900	3925	3900	3925	Unch
Groundnut Seed					
Rajkot	925	1025	900	1035	-10
Sunflower Seed					
Gulbarga	3250	3500	3250	3550	-50
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	10-Jul-19	09-Jul-19	
Madhya Pradesh	90000	120000	-30000
Maharashtra	60000	60000	Unch
Rajasthan	8000	12000	-4000
Bundi (Raj)	10	10	Unch
Baran (Raj)	200	1500	-1300
Jhalawar (Raj)	1850	2000	-150
Rapeseed/Mustard			
Rajasthan	70000	70000	Unch
Alwar	4000	4000	Unch
Sri Ganganagar	1200	1000	200
Kota	1500	2500	-1000
Groundnut Seed			
Rajkot (Gujarat)	450	460	-10
Sunflower Seed			
Sholapur (Maharashtra)	NA	NA	-

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

Oilseeds	10-Jul-19	9-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	5000	4850	150
Sesame White 98/2/1 FM	10900	11000	-100
Whitish 95/5/FFA/1FM	10500	10500	Unch
Brown 48/2 FFA/4 FM	9800	9400	400
Brown 48/3 FFA/4 FM	9500	9300	200
Brown 48/4 FM/* No FFA Guarantee	9200	9000	200
Sunflower Seed	4300	4200	100
Niger Seed (4% FM)	5600	5300	300

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