

Oilseeds Domestic Fundamentals

- Steady to firm trends are witnessed in Oilseeds complex today due to decreased supplies in the market, increased demand from local crushers and south based traders. NCDEX Soybean and RM seed prices rose up due to traders started holding the stocks in expectation of rise in prices. Decreased global Oilseeds production estimates by USDA, may further rises the price in near future.
- According to recent Ministry report, India has covered total oil seeds kharif sowing area as on 12th July 2019 about 75.68 lakh Ha. has been reported compared to normal corresponding week (92.50 lakh Ha.) from previous year. Thus 16.82 lakh. Ha less area has been covered compared to normal corresponding week in previous year. Higher area during the week is reported from the state of Gujarat (2.71 lakh Ha.), Rajasthan (2.15 lakh Ha.), Jharkhand (0.08 lakh ha), Uttarakhand (0.04 lakh Ha). Less area during the week is reported from the state of Madhya Pradesh (9.61 lakh ha), Maharashtra (4.66 lakh Ha), Karnataka (3.12 lakh ha.), Chhattisgarh (0.56 lakh Ha), Telangana (0.87 lakh ha), Andhra Pradesh (0.04 lakh Ha), Odisha (0.20 lakh ha), UP (0.28 lakh ha) etc.
- As per Ministry of Agriculture recent release data, Kharif planting improved significantly since last week with the sowing shortfall narrowing to 8.61%. Total sown area is 413.34 lakh hectares, compared with 452.3 lakh hectares covered in the corresponding week of last year. Slight improvement in monsoon rainfall helped speed up the pace, according to data released.
- According to the trade sources, mills across the country crushed 6.5 lakh MT of mustard seeds in June 2019 which is 13.33 lower than May 2019 crushing of 7.5 lakh MT. Lower crushing is due to lower demand of mustard oil cake and lower arrivals in the domestic mandis. Government of India has hiked MSP of soybean by Rs 311/qt to Rs 3710/qt from Rs 3,399/qt.
- 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.

Oilseeds International Fundamentals

- CBOT Soybean July future contract rose up on Friday due to declined crop condition and decreased global production estimates.
- As per USDA forecast, overall oilseed production of Russia in 2019-20 at 18.8 million tonnes, which will be roughly the same amount produced in 2018-19. Exports of oilseeds in 2019-20 will reach an all-time high of 1.7 million tonnes, 7.3% higher than 2018-19. The major drivers of this growth will be exports of rapeseeds and soybean to China and an active supply of rapeseeds to Belarus that started in 2018-19.
- As per USDA forecast, soybean production of Brazil in 2019-20 is projected at 124 million tonnes increased against the previous year 116 million tonnes, as soybean planted area expanded to 37 million hectares and yields return to average due to improved weather. Exports of soybean in 2019-20 is expected to 75 million tonnes up from 69 million tonnes in 2018-19.
- As per WASDE latest report, Global Oilseed production is estimated at 586.0 million tons, down by 11.7 million tonnes which is mostly on lower soybean production for the United States. Soybean production is also reduced for Canada and Ukraine. Rapeseed production is reduced for the EU, Australia, and Canada. Hot, dry weather during June has reduced yield prospects for the EU. Production is reduced for both Australia and Canada on lower harvested area. Other production changes include lower sunflower seed production for Russia, higher cottonseed production for India, and lower peanut production for the United States. Global oilseed exports for 2019/20 are projected at 175.0 million tons, down slightly from last month. Lower soybean exports for the United States are offset with increases for Brazil, Argentina, and Uruguay. Global oilseed ending stocks for 2019/20 are reduced 10.7 million tons to 119.5 million, mainly on lower soybean stocks for the United States, Argentina, and Brazil.
- As per WASDE latest report, US Soybean production for 2019/20 is projected at 3.845 billion bushels, which is down by 305 million bushels based on lower planted and harvested area in the June 28 Acreage report and on lower projected yields. Harvested area, forecast at 79.3 million acres, which is down by 4.5 million from last month.

Outlook: Firm trends are witnessed in soybean complex today due increased demand in the market. The Indore (Plant Delivery) prices are expected to trade in the range of 3610 to 3650 in coming day. Mustard (42%) spot prices are likely to trade in the range of 4080 and 4100 per quintal ahead of a day.

Soybean Future Price									
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Jul-19	51	3580	3605	3531	3593	3010	-590	8920	-1840
Aug-19	62	3609	3679	3595	3660	24600	10450	67430	-3770
Sept-19	59	3616	3688	3611	3671	6460	4330	14990	170
Mustard Future Prices									
Jul-19	8	3900	3911	3884	3894	7330	-5840	5350	-2890
Aug-19	12	3928	3950	3913	3937	20810	-300	79410	1720
Sept-19	13	3963	3980	3955	3975	1580	-300	13270	220
Soybean Basis - 57					Mustard Basis-195				
Spread					Spread				
	July-19	Aug-19	Sept-19			July-19	Aug-19	Sept-19	
Jul-19	57				Jul-19	201			
Aug-19		-10			Aug-19		158		
Sept-19			-21		Sept-19			120	

Soybean Stock Position & Fed:				
Stocks	Demat	In-Process	Total	FED
	11-Jul-19	11-Jul-19	11-Jul-19	08-Jul-19
Akola	14091	0	14091	16141
Indore	2275	0	2275	2275
Kota	0	40	40	783
Sagar	201	0	201	513
Nagpur	20	0	20	20

Rapeseed Stock Position & Fed:				
Stocks	Demat	In-Process	Total	FED
	11-Jul-19	11-Jul-19	11-Jul-19	08-Jul-19
Sri Ganganagar	2081	0	2081	2283
Bharatpur	-	-	-	-
Bikaner	17039	0	17039	17240
Kota	33163	0	33163	34670
Jaipur	3023	0	3023	3682
Alwar	4376	0	4376	4386
Hapur	-	-	-	-

Oilseed Prices at Key Spot Markets:

Commodity / Centre	Prices (Rs/Qtl)				Change
Soybean	13-Jul-19		12-Jul-19		
	Low	High	Low	High	
Indore –Plant	3620	3650	3580	3610	40
Indore–Mandi	3500	3600	3400	3550	50
Nagpur-Plant	3630	3670	3630	3670	Unch
Nagpur – Mandi	3210	3460	3210	3460	Unch
Latur – Mandi	NA	NA	Closed	Closed	-
Akola – Mandi	3375	3500	Closed	Closed	-
Kota-Plant	3650	3700	3570	3625	75
Kota – Mandi	3630	3660	3575	3600	60
Bundi-Plant	3600	3670	3520	3580	90
Bundi-Mandi	3500	3620	3400	3550	70
Baran-Plant	3600	3640	3530	3570	70
Baran-Mandi	3530	3600	3475	3500	100
Bhawani Mandi Jhalawar–Plant	3660	3720	3600	3650	70
Jhalwar-Mandi	3630	3700	3550	3600	100
Rapeseed/Mustard					
Jaipur-(Condition)	4090	4095	4080	4085	10
Alwar-(Condition)	3900	3950	3900	3950	Unch
Sri Ganganagar-(Non-Condition)	3600	3800	3600	3800	Unch
New Delhi–(Condition)	3925	3950	3925	3950	Unch
Kota-(Condition)	3620	3660	3530	3570	90
Agra-(Condition)	4062	4086	4062	4086	Unch
Neewai-(Condition)	3740	3800	3740	3800	Unch
Hapur (UP)-(Condition)	3925	3950	3900	3925	25
Groundnut Seed					
Rajkot	960	1014	930	1030	-16
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	13-Jul-19	12-Jul-19	
Madhya Pradesh	70000	70000	Unch
Maharashtra	50000	50000	Unch
Rajasthan	8000	8000	Unch
Bundi (Raj)	35	35	Unch
Baran (Raj)	400	500	-100
Jhalawar (Raj)	1000	1200	-200
Rapeseed/Mustard			
Rajasthan	60000	70000	-10000
Alwar	2000	2000	Unch
Sri Ganganagar	500	1000	-500
Kota	300	500	-200
Groundnut Seed			
Rajkot (Gujarat)	300	200	100
Sunflower Seed			
Sholapur (Maharashtra)	NA	NA	-

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

Oilseeds	13-Jul-19	12-Jul-19	Change
Groundnut Kernel	5400	5400	Unch
Gr. Bolds 60/70	8450	8450	Unch
Gr. Javas 60/70	10200	10200	Unch
Gr Javas 70/80	9800	9800	Unch
Gr.Javas 80/90	9500	9500	Unch
KardiSeed 2% Exp Qly	5000	5000	Unch
Sesame White 98/2/1 FM	10700	10900	-200
Whitish 95/5/FFA/1FM	10500	10500	Unch
Brown 48/2 FFA/4 FM	9900	9800	100
Brown 48/3 FFA/4 FM	9500	9500	Unch
Brown 48/4 FM/* No FFA Guarantee	9200	9200	Unch
Sunflower Seed	4300	4300	Unch
Niger Seed (4% FM)	5600	5600	Unch

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