

Oilseeds Domestic Fundamentals

- Mostly firm trends are witnessed in Oilseeds complex today at various trading centers due to increased demand from local crushers and south based traders. NCDEX Soybean and RM seed prices rose up due to speculation. Decreased global Oilseeds production estimates by USDA, may further rises the price in near future.
- As per ministry data, Kharif area has declined nearly 39% until 12th July compared to the normal corresponding week of previous five years. The June-to-September monsoon was short by 33% in its first month, the highest deficiency for June in four years. On Sunday, rainfall deficiency fell to about 12.5%, mainly because of good rainfall between July 4 and July 11. Farmers increased the pace of sowing in the country.
- 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.
- 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 3650 to 3685 in coming day. Mustard (42%) spot prices are likely to trade in the range of 4100 and 4130 per quintal ahead of a day.

Soybean Future Price									
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Aug-19	-12	3652	3700	3642	3648	26550	1950	68780	1350
Sept-19	-14	3683	3711	3655	3657	8320	1860	16560	1570
Oct-19	4	3599	3622	3570	3580	1330	NA	4660	NA
Mustard Future Prices									
Aug-19	14	3947	3962	3931	3951	16770	-4040	80560	1150
Sept-19	10	3977	3997	3977	3985	2160	580	13860	590
Oct-19	0	4013	4013	4013	4013	NA	NA	80	NA
Soybean Basis - 27					Mustard Basis-159				
Spread					Spread				
	July-19	Aug-19	Sept-19			July-19	Aug-19	Sept-19	
Aug-19	27				Aug-19	159			
Sept-19		18			Sept-19		125		
Oct-19			95		Oct-19			97	

Soybean Stock Position & Fed:				
Stocks	Demat	In-Process	Total	FED
	13-Jul-19	13-Jul-19	13-Jul-19	08-Jul-19
Akola	13192	91	13283	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
	13-Jul-19	13-Jul-19	13-Jul-19	08-Jul-19
Sri Ganganagar	1950	0	1950	2283
Bharatpur	-	-	-	-
Bikaner	17039	0	17039	17240
Kota	31309	10	31319	34670
Jaipur	2612	0	2612	3682
Alwar	4326	0	4326	4386
Hapur	-	-	-	-

Oilseed Prices at Key Spot Markets:

Commodity / Centre	Prices (Rs/Qtl)				Change
Soybean	15-Jul-19		13-Jul-19		
	Low	High	Low	High	
Indore –Plant	3645	3675	3620	3650	25
Indore–Mandi	3550	3650	3500	3600	50
Nagpur-Plant	3660	3700	3630	3670	30
Nagpur – Mandi	3310	3540	3210	3460	80
Latur – Mandi	NA	NA	NA	NA	-
Akola – Mandi	3300	3630	3375	3500	130
Kota-Plant	3720	3750	3650	3700	50
Kota – Mandi	3650	3700	3630	3660	40
Bundi-Plant	3650	3750	3600	3670	80
Bundi-Mandi	3600	3720	3500	3620	100
Baran-Plant	3650	3700	3600	3640	60
Baran-Mandi	3600	3650	3530	3600	50
Bhawani Mandi Jhalawar–Plant	3740	3800	3660	3720	80
Jhalwar-Mandi	3700	3770	3630	3700	70
Rapeseed/Mustard					
Jaipur-(Condition)	4105	4110	4090	4095	15
Alwar-(Condition)	3950	4000	3900	3950	50
Sri Ganganagar-(Non-Condition)	3650	3825	3600	3800	25
New Delhi–(Condition)	3935	3960	3925	3950	10
Kota-(Condition)	3650	3730	3620	3660	70
Agra-(Condition)	4062	4086	4062	4086	Unch
Neewai-(Condition)	3740	3800	3740	3800	Unch
Hapur (UP)-(Condition)	3925	3950	3925	3950	Unch
Groundnut Seed					
Rajkot	930	1090	960	1014	76
Sunflower Seed					
Gulbarga	3525	3650	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	15-Jul-19	13-Jul-19	
Madhya Pradesh	85000	70000	15000
Maharashtra	55000	50000	5000
Rajasthan	8000	8000	Unch
Bundi (Raj)	15	35	-20
Baran (Raj)	800	400	400
Jhalawar (Raj)	1300	1000	300
Rapeseed/Mustard			
Rajasthan	70000	60000	10000
Alwar	2000	2000	Unch
Sri Ganganagar	800	500	300
Kota	800	300	500
Groundnut Seed			
Rajkot (Gujarat)	100	300	-200
Sunflower Seed			
Sholapur (Maharashtra)	NA	NA	-

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

Oilseeds	15-Jul-19	13-Jul-19	Change
Groundnut Kernel	5400	5400	Unch
Gr. Bolds 60/70	8550	8450	100
Gr. Javas 60/70	10300	10200	100
Gr Javas 70/80	9900	9800	100
Gr.Javas 80/90	9600	9500	100
KardiSeed 2% Exp Qly	5000	5000	Unch
Sesame White 98/2/1 FM	10700	10700	Unch
Whitish 95/5/FFA/1FM	10500	10500	Unch
Brown 48/2 FFA/4 FM	9900	9900	Unch
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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