

Oilseeds Domestic Fundamentals

- Steady to firm trends are witnessed in Oilseeds complex at most of the trading centers due to improved demand from the local crushers. NCDEX Soybean and RM seeds future prices declined, due to traders started booking the profits at the current level. Favorable rains in central India, the major soybean growing areas, may boost the yields. Farmers started cultivating oilseeds at full swing due to increased MSP, better price realization may further put soybean prices under pressure.
- As per the sources, after a prolonged dry spell in Gujarat, recent rainfall across many parts of the state have saved the standing crops and resumed sowing. However, groundnut growing regions like Jamnagar, Devbhumi, Dwaraka, and morbi districts are still suffering from rainfall deficiency.
- According to recent Ministry report, India has covered total oil seeds kharif sowing area as on 2nd Aug, 2019 about 149.41 lakh Ha. has been reported compared to normal corresponding week (157.39 lakh Ha.) from previous year. Thus 7.98 lakh. Ha less area has been covered compared to normal corresponding week in previous year. Farmers have sown 2.67 lakh ha. In Andhra Pradesh against 4.28 lakh ha. Previous year, 15.72 lakh ha. In Gujarat against 16.34 Previous year, 5.29 lakh ha. In Karnataka against 6.81 lakh ha. Previous year, 59.43 lakh ha. In MP against 59.98 lakh ha. Previous year, 36.92 lakh ha. In MH against 39.50 lakh ha. Previous year, 17.81 lakh ha. In Rajasthan against 19.06 lakh ha. Previous year, 2.01 lakh ha. In Telangana against 2.20 lakh ha Previous year, 4.82 lakh ha in UP against 3.70 lakh ha. Previous year.
- As per IMD, Monsoon picking up in central and western India, the planting has also picked up pace and has crossed 149.41 lakh hectares. Last year, sowing was on 157.39 lakh hectares, as per the latest data from Ministry. There is a sharp drop in sowing of groundnuts to 30.22 lakh hectares against 33.53 lakh hectares last year. soybean is nearly 107.29 lakh hectares against 109.50 lakh hectares last year, castor has been planted on 1.10 lakh hectares against 1.50 lakh hectares last year. Sunflower has been planted on 0.68 lakh hectares against 0.76 lakh hectares last year. Sesame has been planted on 9.65 lakh hectares against 11.59 lakh hectares last year.
- As per market sources, there is chances of increase in area of soybean crop in this season up to 120 lakh hectares compared with 112 lakh hectares last year in case of normal monsoon in Madhya Pradesh and Maharashtra (account up to 80 percent of total Soybean production in the country). As per to the third advanced estimate of Ministry, Soybean production is placed at 137.43 lakh tonnes for 2018/19 which is higher by 25 per cent against previous year production and highest in the last five years record. Soybean acreage may increase or may be at the same in this year as soybean prices performed well.

Oilseeds International Fundamentals

- CBOT Soybean future remained steady after a sharp fall on Friday due to improved crop condition.
- As per the sources, EU expects Rapeseed crop of 17.1million tonnes, against 3million tonnes lower than last season and 4million tonnes below the five-year average. Lower crop estimates holding the rapeseed prices steady. The oilseed rape market is also influenced by crude and other oil prices, and with the US-China trade war ramping up again this week.
- As per latest US weekly crop condition, soybean crop held steady at 54% rated good to excellent. Eight states indicated that the soybean condition improved last week. Most of the improvements were found in the central and southern Corn Belt while most of the declines were found in the eastern and northern Corn Belt as well as the Delta.
- As per the sources, China brought in 614,805 tons of soya beans from the US in June, down by 2.5% from June 2018 and down by 37% from 977,024 tons in May. However, China government had given a tariff exemption to 5 companies to purchase up to 3 million MT of US soybean in a goodwill move before the trade meet at shanghai during this week.
- As per USDA, During this week (July 19 to July 25) US sold 143,100 MT for 2018/2019 resulting in increases for Japan (67,800 MT, including 19,000 MT switched from unknown destinations and decreases of 600 MT), China (66,800 MT, including 62,000 MT switched from unknown destinations and decreases of 72,900 MT), Mexico (61,800 MT, including 47,500 MT switched from unknown destinations and decreases of 1,000 MT), Egypt (58,800 MT, including decreases of 1,200 MT), and Saudi Arabia (55,000 MT), were partially offset by reductions for unknown destinations (195,500 MT) and Pakistan (60,000 MT). For 2019/2020, net sales of 305,500 MT were primarily for unknown destinations (112,000 MT), China (68,000 MT), Taiwan (60,000 MT), Japan (31,500 MT), and Colombia (14,500 MT). Exports of 921,300 MT were up 45 percent from the previous week and 24 percent from the prior 4-week average. The destinations were primarily to China (531,800 MT), Mexico (142,700 MT), Egypt (53,800 MT), Japan (45,400 MT), and Algeria (31,200 MT). As per the sources, Ukraine harvested Oilseed crop up to 2.73 million tonnes as on 23rd July 2019 higher against 2.25 million tonnes compared to last year. Moreover, rapeseed crop could rise to 3.58 million tonnes from 2.84 million tonnes in 2018.
- As per NOPA, U.S. soybean crushing likely declined for a third straight month in June by 154 million bushels. Crush forecasts for June ranged from 147.937 million to 164.500 million bushels, with a median estimate of 152.200 million bushels which is less from the May crush of 154.796 million bushels and a crush of 159.228 million bushels in June 2018.
- Outlook:** firm trends are witnessed in soybean complex today due to improved demand in the market. The Indore (Plant Delivery) prices are expected to trade in the range of 3550 to 3600 in coming day. Mustard (42%) spot prices are likely to trade in the range of 4090 and 4120 per quintal ahead of a day.

Soybean Future Price									
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Aug-19	0	3574	3594	3574	3584	13980	-970	42310	-2200
Sept-19	-9	3572	3594	3566	3574	14460	2300	37620	150
Oct-19	-4	3530	3531	3514	3517	1000	-1710	10480	340
Mustard Future Prices									
Aug-19	-15	3929	3929	3906	3909	9520	3700	56340	-3580
Sept-19	-12	3945	3950	3930	3934	7720	3400	33150	1490
Oct-19	-13	3980	3984	3969	3976	2310	830	11160	1320
Soybean Basis - 26					Mustard Basis-211				
Spread					Spread				
	July-19	Aug-19	Sept-19			July-19	Aug-19	Sept-19	
Aug-19	26				Aug-19	211			
Sept-19		36			Sept-19		186		
Oct-19			93		Oct-19			144	

Soybean Stock Position & Fed:				
Stocks	Demat	In-Process	Total	FED
	2-Aug-19	2-Aug-19	2-Aug-19	29-Jul-19
Akola	739	0	739	1537
Indore	60	0	60	477
Kota	0	40	40	40
Sagar	120	0	120	120
Nagpur	-	-	-	20

Rapeseed Stock Position & Fed:				
Stocks	Demat	In-Process	Total	FED
	2-Aug-19	2-Aug-19	2-Aug-19	29-Jul-19
Sri Ganganagar	1668	0	1869	1669
Bharatpur	-	-	-	-
Bikaner	14497	0	14497	16059
Kota	27476	0	27476	28700
Jaipur	2153	0	2153	2203
Alwar	3558	0	3558	3558
Hapur	-	-	-	-

Oilseed Prices at Key Spot Markets:

Commodity / Centre	Prices (Rs/Qtl)				Change
Soybean	03-Aug-19		02-Aug-19		
	Low	High	Low	High	
Indore –Plant	3550	3620	3540	3610	10
Indore–Mandi	3450	3570	3400	3520	50
Nagpur-Plant	3690	3710	3690	3725	-15
Nagpur – Mandi	3260	3580	3210	3590	-10
Latur – Mandi	NA	NA	3390	3650	-
Akola – Mandi	3300	3550	3000	3550	Unch
Kota-Plant	3520	3630	3500	3600	30
Kota – Mandi	3480	3600	3450	3570	30
Bundi-Plant	3520	3580	3500	3550	30
Bundi-Mandi	3480	3550	3450	3520	30
Baran-Plant	3370	3470	3350	3450	20
Baran-Mandi	Closed	Closed	Closed	Closed	-
Bhawani Mandi Jhalawar–Plant	3630	3580	3600	3550	30
Jhalwar-Mandi	3200	3460	3150	3400	60
Rapeseed/Mustard					
Jaipur-(Condition)	4120	4125	4115	4120	5
Alwar-(Condition)	3900	3950	3900	3950	Unch
Sri Ganganagar-(Non-Condition)	3650	3850	3650	3850	Unch
New Delhi–(Condition)	3900	3925	3900	3925	Unch
Kota-(Condition)	3640	3660	3640	3660	Unch
Agra-(Condition)	4095	4119	4095	4119	Unch
Neewai-(Condition)	3720	3770	3720	3770	Unch
Hapur (UP)-(Condition)	3925	3950	3900	3925	25
Groundnut Seed					
Rajkot	856	1029	842	1036	-7
Sunflower Seed					
Gulbarga	3402	3666	3466	3682	-16
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	03-Aug-19	02-Aug-19	
Madhya Pradesh	45000	45000	Unch
Maharashtra	50000	50000	Unch
Rajasthan	8000	8000	Unch
Bundi (Raj)	16	16	Unch
Baran (Raj)	Closed	Closed	-
Jhalawar (Raj)	600	1000	-400
Rapeseed/Mustard			
Rajasthan	50000	50000	Unch
Alwar	800	600	200
Sri Ganganagar	1000	600	400
Kota	700	1000	-300
Groundnut Seed			
Rajkot (Gujarat)	50	55	-5
Sunflower Seed			
Sholapur (Maharashtra)	NA	NA	-

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

Oilseeds	3-Aug-19	2-Aug-19	Change
Groundnut Kernel	5450	5500	-50
Gr. Bolds 60/70	8550	8550	Unch
Gr. Javas 60/70	10300	10300	Unch
Gr Javas 70/80	9900	9900	Unch
Gr.Javas 80/90	9600	9600	Unch
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

Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/disclaimer.php> © 2019 Indian Agribusiness Systems Ltd.