

Oilseeds Domestic Fundamentals

- Steady to weak trends are witnessed in Oilseeds complex today at most of the trading centers. NCDEX soybean future prices dropped and ended with profit bookings. RM seeds prices declined due to speculators selling pressure.
- As per the sources, recovery of monsoon this season in August has pulled down the prices of agricultural commodities during the past three days on expectations of a recovery in kharif output and favorable climatic condition for the rabi harvest for 2020. Although crop damages have been reported in few areas due to excess rain, which is minimal. However, for rabi crops, including mustard seed, good rain in September (as forecast by weather agencies), would provide better soil moisture for sowing. Besides, there are huge procured stocks of mustard seed with government, and the prices Mustard will remain under pressure.
- As per the sources, soybean yield is likely to increase in Madhya Pradesh due to sufficient water and use of new varieties of seeds with early maturity has raised hopes for better yields resulting in higher output and negating the impact of crop damage in some regions of the state due to heavy rains. The yields are anticipating to increase between 1300 to 1350kg per hectare as against 1250 kg per hectare in the last season. Over all crop is in very good stage and developing well.
- As per the IMD, Overall monsoon rainfall was normal to excess as on Friday compared with 91% of LPA until July end, the declined in sowing area of all kharif crops has considerably narrowed down. According to the kharif sowing data released by the Agriculture Ministry on Friday, plantings have covered nearly 1,010 lakh hectares (lh), compared with 1,027 lh in the corresponding period last year. There is substantial improvement in oilseeds planting too. The increase was mainly in soybean, which surpassed last year by 1 lh till this week. Good rains in Gujarat also helped increase the acreage of groundnut, even though the overall area under groundnut is still down by 2 per cent.
- According to recent Ministry report, India has covered total oil seeds kharif sowing area as on 30 Aug, 2019 about 170.78 lakh Ha. has been reported compared to normal corresponding week (171.15 lakh Ha.) from previous year. Thus 0.37 lakh. Ha less area has been covered compared to normal corresponding week in previous year. Farmers have sown 4.86 lakh ha. In Andhra Pradesh against 6.64 lakh ha. Previous year, 21.95 lakh ha. In Gujarat against 19.74 Previous year, 7.30 lakh ha. In Karnataka against 8.45 lakh ha. Previous year, 60.82 lakh ha. In MP against 60.15 lakh ha. Previous year, 41.69 lakh ha. In MH against 41.44 lakh ha. Previous year, 20.03 lakh ha. In Rajasthan against 20.67 lakh ha. Previous year, 2.11 lakh ha. In Telangana against 2.23 lakh ha Previous year, 5.51 lakh ha in UP against 4.60 lakh ha. Previous year.
- As per Fourth Advance Estimates for 2018-19, total food grain production in the country is estimated at 284.95 million tonnes which is nearly steady compared with 285.01 million tonnes of production for 2017-18, while it is higher by 19.20 million tonnes than the previous five years' (2013-14 to 2017-18) average production of food grain. Total Oilseeds production in the country during 2018-19 is estimated at 32.26 million tonnes which is higher than the production of 31.46 million tonnes during 2017-18. Moreover, the production of oilseeds during 2018-19 is also higher by 2.61 million tonnes than the average oilseeds production.
- As per the sources, the rebound in monsoon rainfall has created ideal conditions for agriculture for the rest of the year with improved planting area and much more water in reservoirs. Rainfall in August has been 35% above normal so far, which has further improved crop planting and filled up major reservoirs with 25% more water than the 10-year average.

Oilseeds International Fundamentals

- CBOT Soybean future closed narrowly mixed on Tuesday.
- As per USDA soybean weekly crop progress as on Tuesday, 56% of the crop is good to excellent, up from 55% a week ago.
- As per the sources, the area planted with soybeans in Brazil in the 2019/2020 season, which starts this month, will grow by 1.1% to 36.3 million hectares, the smallest increase in 13 years, as a global trade war and swine fever in China cloud the outlook for farmers.
- Brazilian soybean exports fell by 23% to 7.82 million tonnes in July month and down by 11.4% in the first eight months of the year, compared to the same period of 2018. Due to China's demand for soya, which is used to make animal feed, has fallen as the spread of African swine fever has wiped out millions of hogs in the Asian country.
- As per the sources, the soybean cultivation is expected to increase in Argentina because it requires more investment in fertilizers and new seeds each season, which is around 70% more than soya. Estimated farmers would likely to cut the area intended for corn this season by 200,000 hectares. Soybeans would take that area to reach 17.7 million hectares.
- As per the sources, Germany's rapeseed harvest will fall 21.9% on the year to about 2.9 million tonnes. A sharp drop had been generally expected because of a big reduction in rapeseed plantings following dry weather in autumn 2018.
- China's July soybean imports from the United States jumped three-fold from the previous year and Brazil at 6.42 million tonnes, down 8.9% from last year's 7.04 million tonnes but up 16.8% from 5.498 million tonnes in June. China, brought 911,888 tonnes of oilseed from the United States up from last year's 308,127 tonnes. The figures were also up 48.3% from 614,805 tonnes in June. China's total soybean imports rose in July from the same month last year.
- **Outlook:** The Indore (Plant Delivery) prices are expected to trade in the range of 3630 to 3670 in coming day. Mustard (42%) spot prices are likely to trade in the range of 4140 and 4150 per quintal ahead of a day.

Soybean Future Price									
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Sept-19	-14	3809	3833	3773	3788	13340	-1590	20830	-1620
Oct-19	-2	3589	3579	3559	3585	10110	-5850	42010	2620
Nov-19	-1	3528	3523	3511	3527	2170	-2360	27440	810
Mustard Future Prices									
Sept-19	-11	3900	3900	3885	3889	7160	-2250	40080	-2330
Oct-19	-12	3987	3987	3964	3968	7630	-90	54630	820
Nov-19	-11	4043	4043	4027	4031	2280	-380	12760	1070
Soybean Basis - 20					Mustard Basis-286				
Spread					Spread				
	Sep-19	Oct-19	Nov-19			Sep-19	Oct-19	Nov-19	
Sept-19	-88				Sept-19	276			
Oct-19		115			Oct-19		197		
Nov-19			173		Nov-19			134	

Soybean Stock Position & Fed:

Stocks	Demat	In-Process	Total	FED
	3-Sept-19	3-Sept-19	3-Sept-19	2-Sept-19
Akola	485	30	515	485
Indore	100	0	100	100
Kota	10	0	10	10
Sagar	10	0	10	10
Nagpur	-	-	-	-

Rapeseed Stock Position & Fed:

Stocks	Demat	In-Process	Total	FED
	3-Sept-19	3-Sept-19	3-Sept-19	2-Sept-19
Sri Ganganagar	1214	0	1214	1296
Bharatpur	-	-	-	-
Bikaner	7907	0	7907	7907
Kota	23412	0	23412	23513
Jaipur	1294	0	1294	1295
Alwar	1561	0	1561	1764
Hapur	-	-	-	-

Oilseed Prices at Key Spot Markets:

Commodity / Centre	Prices (Rs/Qtl)				Change
Soybean	04-Sep-19		03-Sep-19		
	Low	High	Low	High	
Indore –Plant	3650	3700	3750	3780	-80
Indore–Mandi	3550	3700	3650	3725	-25
Nagpur-Plant	3760	3790	3760	3790	Unch
Nagpur – Mandi	3400	3635	3310	3630	5
Latur – Mandi	3675	3745	NA	NA	-
Akola – Mandi	3200	3660	3300	3670	-10
Kota-Plant	3750	3800	3750	3800	Unch
Kota – Mandi	Closed	Closed	Closed	Closed	-
Bundi-Plant	3700	3720	3700	3720	Unch
Bundi-Mandi	Closed	Closed	Closed	Closed	-
Baran-Plant	3530	3580	3530	3580	Unch
Baran-Mandi	Closed	Closed	Closed	Closed	-
Bhawani Mandi Jhalawar–Plant	3550	3640	3550	3640	Unch
Jhalwar-Mandi	Closed	Closed	Closed	Closed	-
Rapeseed/Mustard					
Jaipur-(Condition)	4160	4165	4180	4185	-20
Alwar-(Condition)	Closed	Closed	Closed	Closed	-
Sri Ganganagar-(Non-Condition)	Closed	Closed	Closed	Closed	-
New Delhi–(Condition)	3920	3950	3920	3950	Unch
Kota-(Condition)	Closed	Closed	Closed	Closed	-
Agra-(Condition)	4143	4167	4143	4167	Unch
Neewai-(Condition)	3740	3840	3740	3840	Unch
Hapur (UP)-(Condition)	3925	3975	3925	3975	Unch
Groundnut Seed					
Rajkot	762	1022	Closed	Closed	-
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	04-Sep-19	03-Sep-19	
Madhya Pradesh	20000	20000	Unch
Maharashtra	15000	15000	Unch
Rajasthan	4000	4000	Unch
Bundi (Raj)	Closed	Closed	-
Baran (Raj)	Closed	Closed	-
Jhalawar (Raj)	Closed	Closed	-
Rapeseed/Mustard			
Rajasthan	NA	NA	-
Alwar	Closed	Closed	-
Sri Ganganagar	Closed	Closed	-
Kota	Closed	Closed	-
Groundnut Seed			
Rajkot (Gujarat)	75	Closed	-
Sunflower Seed			
Sholapur (Maharashtra)	NA	NA	-

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

Oilseeds	4-Sep-19	3-Sep-19	Change
Groundnut Kernel	5400	5425	-25
Gr. Bolds 60/70	8450	8450	Unch
Gr. Javas 60/70	10400	10400	Unch
Gr Javas 70/80	10000	10000	Unch
Gr.Javas 80/90	9700	9700	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	9600	9600	Unch
Brown 48/4 FM/* No FFA Guarantee	9300	9300	Unch
Sunflower Seed	4300	4300	Unch
Niger Seed (4% FM)	5600	5600	Unch

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