

Oilseeds Domestic Fundamental

- Steady to firm trends are witnessed in Oilseeds complex on Wednesday on firm demand locally. NCDEX soybean futures rose up sharply from the beginning and ended at higher side and RM seeds prices ended at higher side after a short fall.
- As per Ministry data, the total area under Oilseeds is 173.34 lakh hectares against 173.55 lakh hectares in the previous year. There is a drop-in sowing of groundnuts to 37.51 lakh hectares against 39.68 lakh hectares last year. soybean is 112.71 lakh hectares against 111.79 lakh hectares last year, castor has been planted on 7.64 lakh hectares against 6.46 lakh hectares last year. Sunflower has been planted on 0.99 lakh hectares against 1.08 lakh hectares last year. Sesame has been planted on 13.12 lakh hectares against 13.69 lakh hectares last year, Nigerseed has been planted on 1.39 lakh ha against 0.84 lakh ha last year.
- As per the sources, India's soybean output is seen rising this year, on increase in acreage and copious rains in the key growing regions of Madhya Pradesh, Rajasthan. Soybean production will be higher this year and we expect it to be at least around 14 million tonnes. Farmers in MP and Rajasthan have planted more area while the area has shrunk in Maharashtra. However, last week, SOPA maintained that there was no widespread or excessive damage to the crop from excess rains. The harvesting of the early maturing varieties will begin by September 20-25 and full-scale harvesting will be from October 15.
- As per Mustard Oil Producers Association of India mills crushed 575,000 tn mustard seed in August, up 15% on year, around 10% higher than 525,000 tn mustard crushed in July. A rise in demand for mustard meal from exporters and a pick-up in purchases by oil millers led to higher crushing. Farmers brought 515,000 tn mustard to markets in August, lower than 685,000 tn in the year-ago period. In Rajasthan, the top producer, total supply of mustard seed was 190,000 tn in August, in Uttar Pradesh 85,000 tn, and in Madhya Pradesh 60,000 tn. Stock with farmers, processors, stockists and state-run agencies were at 3.8 mln tn in August, compared with 2.6 mln tn in the yearago period. The association has estimated mustard output in the country at 8.1 mln tn in 2018-19, up from 7.1 mln tn in the previous year. However, this is lower than 9.3 mln tn, which is what the farm ministry forecast in its fourth advance estimate.
- As per USDA recent release estimates, soybean production for marketing year 2019/20 (Oct.-Sept.) is revised lower to 10.5 million metric tons (MMT) on 11.2 million hectares. The national average yield will settle below last year's level due to concerns over prevailing weather conditions. During the period of heavy rainfall in the second week of August, short-duration cultivars were in their reproductive stage (full flowering and pod development) and susceptible to both biotic and abiotic stress. Late planted and long-duration soybean cultivars may benefit from recent heavy rainfall activity, if excessive rains do not continue. The proportion of late-planted soybeans may be slightly higher than usual due to the late monsoon and extended planting window through July.
- As per USDA, the latest planting report indicates that kharif groundnut were planted on 3.5 million hectares compared to 3.6 million hectares planted last season. Post estimates that both winter and summer planting of groundnuts will likely be normal. During the current season, an additional 85,000 hectares came from Gujarat, Maharashtra, Tamil Nadu, and Madhya Pradesh, but 42 percent of the net decline reported from Andhra Pradesh, Karnataka, Rajasthan, Odisha, and other states.

Oilseeds International Fundamentals

- CBOT Soybean future closed at higher side on Tuesday.
- As per the sources, EU's production down by almost 3 million tonnes and industrial demand remaining robust despite the lower availabilities, EU imports will reach a record level of 6.1 million tonnes this year, with record flows from Ukraine and Canada.
- As per the latest update from USDA, China soybean production is estimated at 17.1 MMT on higher-than-expected area. Most industry sources forecast the crop at 17 MMT or above. Encouraged by subsidies favoring soybean production, farmers have increased planted area; the subsidy has been particularly effective in Northeast provinces. Weather has been favorable as slightly higher yields are expected.
- Soybean imports for 2019/20 (Oct. to Sep.) are forecast to be the lowest in five years; significant declines in swine inventories have lowered feed demand and domestic crush margins. Although FAS Beijing projects demand falling year-over-year, some Chinese sources believe imports will be higher in 2019/20. From October 2018 to July 2019, imports were down over fifteen percent from the previous year, and the quantity of U.S. soybeans was less than a quarter of the previous years level.
- As per the sources, Ukraine has exported 1.8 million tonnes of oilseeds since the start of the current MY 2019-20 against 1.2 million tonnes of oilseeds over the same period of the last marketing year.
- As per Commodity brokerage INTL FC Stone late Wednesday raised its forecast of the US 2019 soybean yield to 48.3 bushels per acre, from its Aug. 1 figure of 47.2. The US soybean production at 3.661 billion bushels, down from 3.743 billion previously, reflecting a smaller harvested acreage figure from last month.
- As per the sources, China's customs said on Thursday that it has allowed imports of soybean meal, rapeseed meal, sunflower meal and sugar beet pulp from Russia. Exporters of these animal feed ingredients must be inspected and approved by Russian authorities and also registered with the Chinese regulator. The trade move came after China approved more soybean, wheat and barley imports from Russia, as a festering Sino-U.S. trade war curbed American agricultural shipments.
- As per the sources, the area planted with soybeans in Brazil for 2019/2020 season, which starts this month, will grow by 1.1% to 36.3 million ha, the smallest increase in 13 years, as a global trade war and swine fever in China cloud the outlook for farmers.
- **Outlook:** The Indore (Plant Delivery) prices are expected to trade in the range of 3800 to 3850 in coming day. Mustard (42%) spot prices are likely to trade in the range of 4180 and 4210 per quintal ahead of a day.

Soybean Future Price									
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Sept-19	111	3750	3837	3722	3837	15620	7630	6810	-3730
Oct-19	118	3585	3700	3585	3691	37470	18110	46430	4580
Nov-19	89	3560	3636	3560	3620	21170	12340	35030	2450
Mustard Future Prices									
Sept-19	11	3889	3890	3872	3886	22920	10470	7610	-12700
Oct-19	17	3964	3979	3960	3970	21330	10980	65200	3970
Nov-19	2	4018	4026	4008	4010	6900	5420	22770	3650
Soybean Basis - -12					Mustard Basis-304				
Spread					Spread				
	Sep-19	Oct-19	Nov-19			Sep-19	Oct-19	Nov-19	
Sept-19	-12				Sept-19	304			
Oct-19		134			Oct-19		220		
Nov-19			205		Nov-19			180	

Soybean Stock Position & Fed:				
Stocks	Demat	In-Process	Total	FED
	9-Sept-19	9-Sept-19	9-Sept-19	9-Sept-19
Akola	455	10	465	455
Indore	40	0	40	40
Kota	211	50	261	10
Sagar	-	0	-	-
Nagpur	-	-	-	-

Rapeseed Stock Position & Fed:				
Stocks	Demat	In-Process	Total	FED
	9-Sept-19	9-Sept-19	9-Sept-19	9-Sept-19
Sri Ganganagar	1214	0	1214	1214
Bharatpur	-	-	-	-
Bikaner	7907	0	7907	7907
Kota	17839	0	17839	17839
Jaipur	994	0	994	994
Alwar	1439	0	1439	1764
Hapur	-	-	-	-

Oilseed Prices at Key Spot Markets:

Commodity / Centre	Prices (Rs/Qtl)				Change
Soybean	11-Sep-19		10-Sep-19		
	Low	High	Low	High	
Indore –Plant	3800	3825	3750	3780	45
Indore–Mandi	3675	3775	Closed	Closed	-
Nagpur-Plant	3790	3825	3790	3825	Unch
Nagpur – Mandi	3380	3680	3360	3660	20
Latur – Mandi	NA	NA	Closed	Closed	-
Akola – Mandi	3450	3630	Closed	Closed	-
Kota-Plant	3800	3850	3700	3750	100
Kota – Mandi	3700	3750	3620	3700	50
Bundi-Plant	3750	3800	3650	3700	100
Bundi-Mandi	3650	3700	3550	3600	100
Baran-Plant	3640	3730	3530	3620	110
Baran-Mandi	3600	3650	3500	3520	130
Bhawani Mandi Jhalawar–Plant	3650	3770	3530	3650	120
Jhalwar-Mandi	3600	3750	Closed	Closed	-
Rapeseed/Mustard					
Jaipur-(Condition)	4185	4190	4160	4165	25
Alwar-(Condition)	3900	3950	3900	3950	Unch
Sri Ganganagar-(Non-Condition)	3750	3875	Closed	Closed	-
New Delhi–(Condition)	3945	3975	3945	3975	Unch
Kota-(Condition)	3625	3725	3600	3700	25
Agra-(Condition)	4167	4190	4143	4167	24
Neewai-(Condition)	3700	3800	3690	3790	10
Hapur (UP)-(Condition)	3925	3975	3925	3975	Unch
Groundnut Seed					
Rajkot	850	982	NA	NA	-
Sunflower Seed					
Gulbarga	NA	NA	Closed	Closed	-
Latur	NA	NA	Closed	Closed	-
Sholapur	NA	NA	Closed	Closed	-
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	11-Sep-19	10-Sep-19	
Madhya Pradesh	15000	NA	-
Maharashtra	20000	NA	-
Rajasthan	5000	NA	-
Bundi (Raj)	6	3	3
Baran (Raj)	300	800	-500
Jhalawar (Raj)	700	Closed	-
Rapeseed/Mustard			
Rajasthan	70000	30000	40000
Alwar	2000	2000	Unch
Sri Ganganagar	600	Closed	-
Kota	200	500	-300
Groundnut Seed			
Rajkot (Gujarat)	135	NA	-
Sunflower Seed			
Sholapur (Maharashtra)	NA	Closed	-

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

Oilseeds	11-Sep-19	10-Sep-19	Change
Groundnut Kernel	5300	5325	-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	10200	10700	-500
Whitish 95/5/FFA/1FM	10000	10500	-500
Brown 48/2 FFA/4 FM	9400	9900	-500
Brown 48/3 FFA/4 FM	9100	9600	-500
Brown 48/4 FM/* No FFA Guarantee	8800	9300	-500
Sunflower Seed	3800	4300	-500
Niger Seed (4% FM)	5600	5600	Unch

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