

#### **Oilseeds Domestic Fundamental**

- Firm sentiments are featured in Oilseeds complex amid less arrivals today. NCDEX Prices of Soybean and Mustard seed ruled higher side supported by speculators buying activities.
- As per traders, total 10 to 15% soybeans are damaged in MP state majorly in the districts of Ratlam, Mandsaur and Neemuch. While, growing soybean crops at developing stage are better in other states of India. In Maharashtra, crops are in very good condition and expecting higher yield size for this year. Late sowing varieties are developing better than early sowing varieties of soybean.
- As per recent released data of Ministry, the total area under Oilseeds is reported lower at 176.92 lakh hectares as on 13<sup>th</sup> Sep 2019 against 177.15 lakh hectares in the previous year in the corresponding period of time. There is a drop-in sowing of groundnuts to 38.88 lakh hectares against 40.01 lakh hectares last year. Total covering area of Soybean stood at 113.30 lakh hectares against 112.51 lakh hectares last year, castor has been planted on 8.76 lakh hectares against 8.36 lakh hectares last year. Sunflower has been planted on 1.02 lakh hectares against 1.11 lakh hectares last year. Sesame has been planted on 13.33 lakh hectares against 13.80 lakh hectares last year, Nigerseed has been planted on 1.63 lakh ha against 1.36 lakh ha last year.
- As per state agriculture department of Gujarat, groundnut yield is likely to increase up to 1800kg/ha due to good rainfall compared to last year 1085kg/ha due to scanty rains. Sowing and rainfall pattern of 2019-20 is similar to 2016-17 and 2017-18, the estimated production could reach 28-30 lakh tonnes in the current year with favorable weather conditions. Higher prices at the end of the season last year and government procurement at the MSP promoted more farmers to cultivate groundnut this year.
- Soybean production will be higher this year and we expect it to be at least around 109 lakh 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 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 continued on higher side on Monday supported by good buying activities of American beans by China. China bought additional 204,000 tonnes of soybean.
- As per NOPA recent data, NOPA members have crushed total 168.08 million bushels of Soybeans in August 2019 which is slight lower than 168.09 million bushels in July 2019 however it is above than 158.88 million bushels in previous year record. Soybean oil stocks declined slightly more than expected in August 2019 to a 21-month low of 1.401 billion pounds lower against 1.467 billion pounds at the end of July 2019 and 1.623 billion pounds at the end of August 2018. Soymeal exports has been reported down in August 2019 to 699,212 tons from a six-month high of 879,319 tons in July 2019 and 761,899 tons exported in August 2018.
- 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.

**Outlook:** The Indore (Plant Delivery) prices are expected to trade in the range of 3900 to 4000 in coming day. Mustard (42%) spot prices are likely to trade in the range of 4220 and 4235 per quintal ahead of a day.

Soybean Future Price									
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Sept-19	+44	3880	3924	3880	3924	370	30	2130	-200
Oct-19	-23	3745	3760	3697	3713	37460	8,880	44500	0
Nov-19	-12	3690	3699	3645	3659	24060	-2,830	49780	1330
Mustard Future Prices									
Sept-19	+32	3912	3949	3938	3944	2080	2,010	3600	42050
Oct-19	-5	3999	4009	3973	3985	17140	-2,620	61050	23710
Nov-19	-11	4045	4055	4026	4031	5430	720	27160	1210
Soybean Basis - 76					Mustard Basis-291				
Spread					Spread				
	Sep-19	Oct-19	Nov-19			Sep-19	Oct-19	Nov-19	
Sept-19	76				Sept-19	291			
Oct-19		287			Oct-19		250		
Nov-19			341		Nov-19			204	

**Soybean Stock Position & Fed:**

Stocks	Demat	In-Process	Total	FED
	14-Sept-19	14-Sept-19	14-Sept-19	14-Sept-19
Akola	465	0	465	455
Indore	40	0	40	40
Kota	261	0	261	10
Sagar	-	-	-	-
Nagpur	-	-	-	-

**Rapeseed Stock Position & Fed:**

Stocks	Demat	In-Process	Total	FED
	14-Sept-19	14-Sept-19	14-Sept-19	14-Sept-19
Sri Ganganagar	993	0	993	1214
Bharatpur	-	-	-	-
Bikaner	7907	0	7907	7907
Kota	13373	0	13373	17839
Jaipur	872	0	872	994
Alwar	1104	0	1104	1764
Hapur	-	-	-	-

**Oilseed Prices at Key Spot Markets:**

Commodity / Centre	Prices (Rs/Qtl)				Change
Soybean	17-Sep-19		16-Sep-19		
	Low	High	Low	High	
Indore –Plant	3950	4000	3800	3850	150
Indore–Mandi	3750	3900	3650	3800	100
Nagpur-Plant	3820	3850	3820	3850	Unch
Nagpur – Mandi	3360	3800	3560	3760	40
Latur – Mandi	NA	NA	NA	NA	-
Akola – Mandi	NA	NA	3150	3715	-
Kota-Plant	3950	4050	3900	4000	50
Kota – Mandi	3800	4000	3700	3900	100
Bundi-Plant	3950	4000	3850	3900	100
Bundi-Mandi	3900	3950	3800	3850	100
Baran-Plant	3970	4020	3820	3870	150
Baran-Mandi	Closed	Closed	3725	3800	-
Bhawani Mandi Jhalawar–Plant	3975	4075	3825	3925	150
Jhalwar-Mandi	3875	4025	3725	3875	150
<b>Rapeseed/Mustard</b>					
Jaipur-(Condition)	4230	4235	4195	4200	35
Alwar-(Condition)	3900	3950	3900	3950	Unch
Sri Ganganagar-(Non-Condition)	3850	3900	3750	3800	100
New Delhi–(Condition)	3970	3975	3970	3975	Unch
Kota-(Condition)	3750	3800	3650	3700	100
Agra-(Condition)	4238	4262	4214	4238	24
Neewai-(Condition)	3805	3830	3825	3850	-20
Hapur (UP)-(Condition)	3975	4000	3925	3950	50
<b>Groundnut Seed</b>					
Rajkot	788	988	745	985	3
<b>Sunflower Seed</b>					
Gulbarga	NA	NA	3250	3560	-
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
<b>Soybean</b>	<b>17-Sep-19</b>	<b>16-Sep-19</b>	
Madhya Pradesh	20000	20000	Unch
Maharashtra	20000	20000	Unch
Rajasthan	5000	5000	Unch
Bundi (Raj)	9	13	-4
Baran (Raj)	Closed	1000	-
Jhalawar (Raj)	600	1300	-700
<b>Rapeseed/Mustard</b>			
Rajasthan	50000	60000	-10000
Alwar	2000	1500	500
Sri Ganganagar	800	1000	-200
Kota	250	700	-450
<b>Groundnut Seed</b>			
Rajkot (Gujarat)	65	210	-145
<b>Sunflower Seed</b>			
Sholapur (Maharashtra)	NA	NA	-

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

Oilseeds	17-Sep-19	16-Sep-19	Change
Groundnut Kernel	5300	5300	Unch
Gr. Bolds 60/70	8350	8350	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	10200	10200	Unch
Whitish 95/5/FFA/1FM	10000	10000	Unch
Brown 48/2 FFA/4 FM	9400	9400	Unch
Brown 48/3 FFA/4 FM	9100	9100	Unch
Brown 48/4 FM/* No FFA Guarantee	8800	8800	Unch
Sunflower Seed	3800	3800	Unch
Niger Seed (4% FM)	5600	5600	Unch

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