

Oilseeds Domestic Fundamental

- Weak tone witnessed in Oilseeds complex today after heavy supplies in the markets. Farmers and traders are releasing their holding stocks due to dry weather.
- As per source, Soybean crops are already grown for 45 to 70 days and are in flowering to beginning of seed stage. Those early varieties of crops are already in development stage however 10 to 15% got damaged due to continuous spell of heavy rainfall majorly in some districts of MP and Rajasthan. The progress of crops is below normal to normal in India. In 2019, Soybean growers have increased area as compared to previous year record.
- As per IMD, rainfall activity is likely to decrease over most parts of the country; however, it is very likely to be above normal rainfall along west coast, Karnataka, Tamilnadu and Coastal Andhra Pradesh. It is very likely to be normal to below normal over remaining parts of the country during 19th September to 25th September. The total live storage capacity of these 113 reservoirs is 168.77 BCM which is about 65.46% of the live storage capacity of 257.812 BCM which is estimated to have been created in the country.
- 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 13th 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.
- 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 higher to 11 million metric tons (MMT) in September month compared to 10.3 MMT in August month as the national average yield will settle above last year's level after improved monsoon and good rainfall. 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 settled remain on higher side on Tuesday after easing trade tensions between China and U.S. and resumption of Soybean purchases by Chinese importers. j
- As per USDA recent released report, U.S may get soybean yield at 47.9 bushels per acres in 2019/20 which is lower than the projection of 48.5 bushels per acres in August however it is above from 47.2 bushels per acres as projected by Reuter analyst poll. USDA reported lower production estimate at 3.63 billion bushels from 3.68 billion in August month.
- 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.
- 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 4200 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	-22.00	3930	3930	3920	3920	50	-2,030	1710	42050
Oct-19	-35.00	3972	3984	3943	3948	19710	2,570	56780	23710
Nov-19	-31.00	4024	4027	3991	3999	6190	760	29430	1210
Soybean Basis - 75					Mustard Basis-315				
Spread					Spread				
	Sep-19	Oct-19	Nov-19			Sep-19	Oct-19	Nov-19	
Sept-19	75				Sept-19	315			
Oct-19		253			Oct-19		287		
Nov-19			318		Nov-19			236	

Soybean Stock Position & Fed:

Stocks	Demat	In-Process	Total	FED
	17-Sept-19	17-Sept-19	17-Sept-19	17-Sept-19
Akola	354	0	354	455
Indore	0	0	0	0
Kota	261	0	261	10
Sagar	-	-	-	-
Nagpur	-	-	-	-

Rapeseed Stock Position & Fed:

Stocks	Demat	In-Process	Total	FED
	17-Sept-19	17-Sept-19	17-Sept-19	17-Sept-19
Sri Ganganagar	993	0	993	1214
Bharatpur	-	-	-	-
Bikaner	7907	0	7907	7907
Kota	8435	872	0	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	18-Sep-19		17-Sep-19		
	Low	High	Low	High	
Indore –Plant	3930	3980	3950	4000	-20
Indore–Mandi	3750	3900	3750	3900	Unch
Nagpur-Plant	3820	3850	3820	3850	Unch
Nagpur – Mandi	3510	3870	3360	3800	70
Latur – Mandi	NA	NA	NA	NA	-
Akola – Mandi	3100	3750	3150	3715	35
Kota-Plant	3925	4025	3950	4050	-25
Kota – Mandi	3800	4000	3800	4000	Unch
Bundi-Plant	3920	3970	3950	4000	-30
Bundi-Mandi	3900	3950	3900	3950	Unch
Baran-Plant	3920	3960	3970	4020	-60
Baran-Mandi	3800	3850	3725	3800	50
Bhawani Mandi Jhalawar–Plant	3900	4000	3975	4075	-75
Jhalwar-Mandi	3875	4025	3875	4025	Unch
Rapeseed/Mustard					
Jaipur-(Condition)	4215	4220	4230	4235	-15
Alwar-(Condition)	3900	3950	3900	3950	Unch
Sri Ganganagar-(Non-Condition)	3750	3850	3850	3900	-50
New Delhi–(Condition)	3955	3960	3970	3975	-15
Kota-(Condition)	3750	3800	3750	3800	Unch
Agra-(Condition)	4190	4214	4238	4262	-48
Neewai-(Condition)	3775	3800	3805	3830	-30
Hapur (UP)-(Condition)	3975	4000	3975	4000	Unch
Groundnut Seed					
Rajkot	755	989	788	988	1
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	18-Sep-19	17-Sep-19	
Madhya Pradesh	45000	20000	25000
Maharashtra	25000	20000	5000
Rajasthan	5000	5000	Unch
Bundi (Raj)	9	9	Unch
Baran (Raj)	1500	1000	500
Jhalawar (Raj)	1000	600	400
Rapeseed/Mustard			
Rajasthan	60000	50000	10000
Alwar	2000	2000	Unch
Sri Ganganagar	1600	800	800
Kota	250	250	Unch
Groundnut Seed			
Rajkot (Gujarat)	170	65	105
Sunflower Seed			
Sholapur (Maharashtra)	NA	NA	-

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

Oilseeds	18-Sep-19	17-Sep-19	Change
Groundnut Kernel	5300	5300	Unch
Gr. Bolds 60/70	8550	8350	200
Gr. Javas 60/70	10500	10300	200
Gr Javas 70/80	10100	9900	200
Gr.Javas 80/90	9800	9600	200
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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