

Oilseeds Domestic Fundamental

- Mixed sentiments are seen in Oilseeds complex today. Soybean price rose in Nagpur mandi due to weak supply on account of heavy rainfall yesterday. Continuous rainfall for two weeks resulted damages of crops in Madhya Pradesh which may support soybean prices to rise in short term. Good exports demand from U.S. and China may also push soybean prices on higher side. New crop arrivals brought in Javara mandi of MP and farmers have sold it at Rs. 3200 per quintal.
- 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, Heavy to very heavy rainfall likely at isolated places over Gujarat state and Madhya Maharashtra and heavy rainfall at isolated places over Uttarakhand, East Uttar Pradesh, East Rajasthan, Andaman & Nicobar Islands and Coastal Karnataka. Strong winds, speed reaching 40-50 kmph, likely to prevail over east central & adjoining northeast Arabian Sea and south Gujarat & north Maharashtra coasts.
- 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 prices declined on Wednesday on mild weather across the US Midwest and declining buying volume of China.
- As per USDA recent released report, U.S. oilseed production for 2019/20 is forecasted lower at 110.2 million tons from last month with lower soybean and cottonseed production partly offset by a higher peanut forecast. 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. Soybean supplies are projected lower by 2 percent followed by less production and beginning stocks estimates. With soybean crush and exports unchanged, ending stocks are projected at 640 million bushels, down 115 million from last 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.

Outlook: The Indore (Plant Delivery) prices are expected to trade in the range of 3800 to 3930 in coming day. Mustard (42%) spot prices are likely to trade in the range of 4150 and 4200 per quintal ahead of a day.

Soybean Future Price									
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Sept-19	+52.00	3735	3779	3706	3766	36140	36,130	42050	39920
Oct-19	+30.00	3668	3697	3642	3686	20890	-5,010	54670	11400
Nov-19	+28.00	3707	3740	3687	3728	4760	-7,120	18570	-32490
Mustard Future Prices									
Sept-19	-10.00	3955	3956	3926	3939	50	-17,000	1710	42050
Oct-19	-1.00	3994	4005	3975	3998	19710	14,780	56780	23710
Nov-19	-5.00	4028	4023	4015	4023	6190	5,910	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
	18-Sept-19	18-Sept-19	18-Sept-19	18-Sept-19
Akola	111	0	111	354
Indore	0	0	0	261
Kota	261	0	261	261
Sagar	-	-	-	-
Nagpur	-	-	-	-

Rapeseed Stock Position & Fed:

Stocks	Demat	In-Process	Total	FED
	18-Sept-19	18-Sept-19	18-Sept-19	18-Sept-19
Sri Ganganagar	993	0	993	993
Bharatpur	-	-	-	-
Bikaner	7706	0	7706	7907
Kota	8435	0	8435	8435
Jaipur	872	0	872	873
Alwar	1104	0	1104	1104
Hapur	-	-	-	-

Oilseed Prices at Key Spot Markets:

Commodity / Centre	Prices (Rs/Qtl)				Change
Soybean	19-Sep-19		18-Sep-19		
	Low	High	Low	High	
Indore –Plant	3850	3900	3930	3980	-80
Indore–Mandi	3725	3850	3750	3900	-50
Nagpur-Plant	3850	3900	3820	3850	50
Nagpur – Mandi	3600	3825	3510	3870	-45
Latur – Mandi	3650	3850	3640	3880	-30
Akola – Mandi	3150	3750	3100	3750	Unch
Kota-Plant	3850	3900	3925	4025	-125
Kota – Mandi	3700	3800	3800	4000	-200
Bundi-Plant	3900	3950	3920	3970	-20
Bundi-Mandi	3750	3800	3900	3950	-150
Baran-Plant	3925	3950	3920	3960	-10
Baran-Mandi	3800	3870	3800	3850	20
Bhawani Mandi Jhalawar–Plant	4000	4050	3900	4000	50
Jhalwar-Mandi	3950	4000	3875	4025	-25
Rapeseed/Mustard					
Jaipur-(Condition)	4185	4190	4215	4220	-30
Alwar-(Condition)	3950	3975	3900	3950	25
Sri Ganganagar-(Non-Condition)	3700	3800	3750	3850	-50
New Delhi–(Condition)	3950	3975	3955	3960	15
Kota-(Condition)	3650	3700	3750	3800	-100
Agra-(Condition)	4190	4214	4190	4214	Unch
Neewai-(Condition)	3800	3850	3775	3800	50
Hapur (UP)-(Condition)	3900	3950	3975	4000	-50
Groundnut Seed					
Rajkot	785	972	755	989	-17
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	19-Sep-19	18-Sep-19	
Madhya Pradesh	45000	45000	Unch
Maharashtra	40000	25000	15000
Rajasthan	8000	5000	3000
Bundi (Raj)	9	9	Unch
Baran (Raj)	850	1500	-650
Jhalawar (Raj)	675	1000	-325
Rapeseed/Mustard			
Rajasthan	60000	60000	Unch
Alwar	1500	2000	-500
Sri Ganganagar	2000	1600	400
Kota	700	250	450
Groundnut Seed			
Rajkot (Gujarat)	130	170	-40
Sunflower Seed			
Sholapur (Maharashtra)	NA	NA	-

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

Oilseeds	19-Sep-19	18-Sep-19	Change
Groundnut Kernel	5300	5300	Unch
Gr. Bolds 60/70	8550	8550	Unch
Gr. Javas 60/70	10500	10500	Unch
Gr Javas 70/80	10100	10100	Unch
Gr.Javas 80/90	9800	9800	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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