

Oilseeds Domestic Fundamental

- Firm trend are witnessed in Oilseeds complex today amid strong regular crushers demand. However, it is a big challenge for stockiest to buy soybean at the current market price. The quality of new Soybean harvested crops are not so good as containing more moisture as a result prices are lower than old crops arrivals. Traders are in view that quality of new Soybean crop may decline on account of excess rainfall at maturity stage. NCDEX Soybean October contract closed slightly on higher side today.
- The first Advance Estimates of production of major crops for 2019-20 have been released on 23rd Sep, 2019 by the Department of Agriculture, Cooperation and Farmers Welfare. The assessment of production of different crops is based on the feedback received from States and validated with information available from other sources. Few the major crops producing states have received good rainfall. As a result, the production of oilseeds kharif crops estimates for 2019-20 has witnessed higher than their normal production. Oilseeds production of India is placed higher by 11.11 lakh tonnes to 223.89 lakh tonnes against the production of 212.78 lakh tonnes in 4th advanced estimates for 2018-19. The estimated figure is also higher by 11.5 lakh tonnes than five years average oilseeds production.
- As per recent released data of Ministry, the total area under Oilseeds is reported lower at 178.04 lakh hectares as on 20th Sep 2019 against 178.17 lakh hectares in the previous year in the corresponding period of time. There is a drop-in sowing of groundnuts to 39 lakh hectares against 40.08 lakh hectares last year. Total covering area of Soybean stood at 113.45 lakh hectares against 112.62 lakh hectares last year, castor has been planted on 9.09 lakh hectares against 8.60 lakh hectares last year. Sunflower has been planted on 1.03 lakh hectares against 1.11 lakh hectares last year. Sesame has been planted on 13.63 lakh hectares against 14.07 lakh hectares last year, Nigerseed has been planted on 1.84 lakh ha against 1.69 lakh ha last year.
- As on 23rd Sept 2019, Nafed sold total of 2670 MT of R-19 Mustard seed holdings in Haryana and Rajasthan markets. It disposed total 11530 MT of Mustard R-19 and holds remaining balance at 10.77 lakh tonnes till date.
- Madhya Pradesh received 38% more rainfall than the average since the start of four-month long monsoon season on June 1. India is likely to receive above-average monsoon rains in 2019 for the first time in six years as seasonal rainfall continues longer than expected. Recent rainfall in MP, resulted more soybean crop damages in most of its major districts. If rain will be continued, harvesting may delay almost 10 days ahead. New crop arrivals have started in MP however quality is not so good as containing more moisture. Farmers and traders are releasing their old crops in a full pace on account of good prevailing prices. As per traders, total 20 to 25% of Soybean crops have damaged in Mandsaur, Neemuch and Ujjain districts. They expect overall 10 to 15% crop damages in MP states so far on account of heavy rainfall.
- As per IMD, India is likely to get 20% and 99% above-average rains in the weeks of Sept. 26 and Oct. 3, respectively. Rainfall may extend up to first week of October as well. Excess rainfall will be fruitful for Rabi crop sowing crops like rapeseed, groundnut etc. The IMD defines average, or normal, rainfall as between 96% and 104% of a 50-year average of 89 centimetres for the entire four-month monsoon season beginning June. As per government data, water levels in India's main reservoirs were reported at 85% of their storage capacity as on Sept. 19 higher against 74% in previous year. The average for the past 10 years is 70%.

Oilseeds International Fundamentals

- CBOT Soybean future prices rose on Wednesday after good buying activity of China and delay soybean planting activity in Brazil.
- Soybean planting in Brazil is very slow in absence of rain. As per state's Department of Rural Economics, only 3% of the expected area in the southern state has been planted on account of dry weather condition which is lower from 18% in previous year in the corresponding period of time. Parana is expected to sow 5.5mn hectares (13.585mn acres) of soybean in the current 2019-20 season, up by 1pc from a year earlier, Despite the current situation, Parana is likely to get 23% higher soybean output in 2019-20 versus last year, to 19.8mn metric tonnes (t). The expected gain is because a severe drought between December-January - a critical time for crop development - heavily affected production in the prior cycle.
- As per Reuter, European Union soybean imports in the 2019/20 season that started on July 1 had reached 3.0 million tonnes by Sept. 22, 2019 higher by 4% from last year. EU soymeal imports had noticed higher by 18% to 4.4 million tonnes against previous year. Palm oil imports stood down by 16% to 1.2 million tonnes. As per ministry statement of Argentina, China had permitted Argentina to start exporting soymeal in Chinese markets. The plants approved for export include those owned by Bunge Argentina, LDC Argentina, Cargill, Molinos Río de la Plata, Renova, T6 and COFCO International Argentina.
- 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.

Outlook: The Indore (Plant Delivery) prices are expected to trade in the range of 4020 to 4180 in coming day. Mustard (42%) spot prices are likely to trade in the range of 4180 and 4250 per quintal ahead of a day.

Soybean Future Price									
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Oct-19	+1.00	4030.00	4088.00	3989.00	4011	60350	2,380	37330	-7100
Nov-19	-49.00	3822.00	3864.00	3770.00	3772	35150	0	69930	-560
Dec-19	-65.00	3857.00	3860.00	3779.00	3779	17650	8,430	37030	5400
Mustard Future Prices									
Oct-19	-16	4021	4049	3995	4003	21940	-11,440	36620	42050
Nov-19	-12	4092	4106	4062	4068	10110	-9,290	28280	23710
Dec-19	+7.00	4052	4085	4052	4067	300	-2,560	2230	1210
Soybean Basis -139					Mustard Basis-222				
Spread					Spread				
	Oct-19	Nov-19	Dec-19			Oct-19	Nov-19	Dec-19	
Oct-19	139				Oct-19	222			
Nov-19		378			Nov-19		157		
Dec-19			371		Dec-19			158	

Soybean Stock Position & Fed:				
Stocks	Demat	In-Process	Total	FED
	25-Sept-19	25-Sept-19	25-Sept-19	25-Sept-19
Akola	-	-	-	-
Indore	-	-	-	-
Kota	-	-	-	-
Sagar	-	-	-	-
Nagpur	-	-	-	-

Rapeseed Stock Position & Fed:				
Stocks	Demat	In-Process	Total	FED
	25-Sept-19	25-Sept-19	25-Sept-19	25-Sept-19
Sri Ganganagar	983	-	983	993
Bharatpur	-	-	-	-
Bikaner	7353	-	7353	7353
Kota	4801	-	4801	4802
Jaipur	872	-	872	873
Alwar	1104	-	1104	1104
Hapur	-	-	-	-

Oilseed Prices at Key Spot Markets:

Commodity / Centre	Prices (Rs/Qtl)				Change
Soybean	26-Sep-19		25-Sep-19		
	Low	High	Low	High	
Indore –Plant	4050	4150	4050	4125	25
Indore–Mandi	3950	4100	3850	4000	100
Nagpur-Plant	4060	4100	4030	4070	30
Nagpur – Mandi	3650	3900	3600	3850	50
Latur – Mandi	3700	3940	3780	3910	30
Akola – Mandi	3400	3900	3300	3860	40
Kota-Plant	4200	4350	4100	4150	200
Kota – Mandi	4100	4200	4000	4100	100
Bundi-Plant	4200	4250	4050	4100	150
Bundi-Mandi	4000	4150	3950	4000	150
Baran-Plant	4200	4300	4100	4150	150
Baran-Mandi	4100	4190	4000	4080	110
Bhawani Mandi Jhalawar–Plant	4300	4400	4150	4200	200
Jhalwar-Mandi	4150	4225	4050	4100	125
Rapeseed/Mustard					
Jaipur-(Condition)	4220	4225	4180	4185	40
Alwar-(Condition)	4000	4050	3900	3950	100
Sri Ganganagar-(Non-Condition)	3750	4000	3700	3950	50
New Delhi–(Condition)	4000	4020	3950	3960	60
Kota-(Condition)	3700	3800	3650	3700	100
Agra-(Condition)	4190	4238	4143	4167	71
Neewai-(Condition)	3800	3900	3800	3860	40
Hapur (UP)-(Condition)	3950	4000	3950	3980	20
Groundnut Seed					
Rajkot	880	1068	750	935	133
Sunflower Seed					
Gulbarga	3325	3650	3050	3475	175
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	26-Sep-19	25-Sep-19	
Madhya Pradesh	32000	35000	-3000
Maharashtra	30000	35000	-5000
Rajasthan	7000	7000	Unch
Bundi (Raj)	15	2	13
Baran (Raj)	500	650	-150
Jhalawar (Raj)	1000	400	600
Rapeseed/Mustard			
Rajasthan	60000	60000	Unch
Alwar	2000	2000	Unch
Sri Ganganagar	700	500	200
Kota	800	700	100
Groundnut Seed			
Rajkot (Gujarat)	205	120	85
Sunflower Seed			
Sholapur (Maharashtra)	NA	NA	-

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

Oilseeds	26-Sep-19	25-Sep-19	Change
Groundnut Kernel	5300	5300	Unch
Gr. Bolds 60/70	8750	8750	Unch
Gr. Javas 60/70	10700	10700	Unch
Gr Javas 70/80	10300	10300	Unch
Gr.Javas 80/90	10000	10000	Unch
KardiSeed 2% Exp Qly	5000	5000	Unch
Sesame White 98/2/1 FM	10000	10000	Unch
Whitish 95/5/FFA/1FM	9800	9800	Unch
Brown 48/2 FFA/4 FM	9200	9200	Unch
Brown 48/3 FFA/4 FM	8900	8900	Unch
Brown 48/4 FM/* No FFA Guarantee	8600	8600	Unch
Sunflower Seed	3600	3600	Unch
Niger Seed (4% FM)	5600	5600	Unch

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