

### **Oilseeds Domestic Fundamental**

- Mixed trends are extended in Oilseeds complex today amid mixed pace of arrivals after mixed sentiments. Mustard seed prices declined amid subdued demand. 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.
- As per recent released data of Ministry, the total area under Oilseeds is reported lower at 179.48 lakh hectares as on 27<sup>th</sup> Sep 2019 against 179.28 lakh hectares in the previous year in the corresponding period of time. There is a drop-in sowing of groundnuts to 39.32 lakh hectares against 40.20 lakh hectares last year. Total covering area of Soybean stood at 113.99 lakh hectares against 113.10 lakh hectares last year. Castor has been planted on 9.38 lakh hectares against 8.77 lakh hectares last year. Sunflower has been planted on 1.03 lakh hectares against 1.12 lakh hectares last year. Sesame has been planted on 13.72 lakh hectares against 14.19 lakh hectares last year, Nigerseed has been planted on 2.05 lakh ha against 1.90 lakh ha last year.
- The first Advance Estimates of production of major crops for 2019-20 have been released on 23<sup>rd</sup> 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 4<sup>th</sup> advanced estimates for 2018-19. The estimated figure is also higher by 11.5 lakh tonnes than five years average oilseeds production.
- As on 26<sup>th</sup> Sept 2019, Nafed sold total of 4227 MT of R-19 Mustard seed holdings in Haryana and Rajasthan markets. It disposed total 5.18 MT of Mustard R-19 and holds remaining balance at 1.97 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 supported by good buying activities of China. USDA reported a private export sale of 257,000 MT for 19/20 deliver to China. That brings the 2-day total to 838,000 MT (30.8 million bushels), with Mondays rumor pegging 600,000 MT in purchases.
- During this week ( September 13 to 19, 2019), US sold total 1,038,000 MT for 2019/2020, primarily for China (391,400 MT), Indonesia (95,700 MT, including 68,000 MT switched from unknown destinations), the Netherlands (69,800 MT, including 60,000 MT switched from unknown destinations), Japan (66,600 MT, including 45,000 MT switched from unknown destinations and decreases of 800 MT), and Pakistan (66,000 MT), were partially offset by reductions for unknown destinations (32,000 MT) and the Philippines (18,200 MT). Exports of 950,900 MT were primarily to China (207,400 MT), Mexico (104,400 MT), Indonesia (99,300 MT), the Netherlands (69,800 MT), and Taiwan (69,300 MT).
- 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 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 3980 to 4080 in coming day. Mustard (42%) spot prices are likely to trade in the range of 4100 and 4150 per quintal ahead of a day.

Soybean Future Price									
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Oct-19	-42.00	4022	4065	3927	3980	48680	-11,670	34800	-9630
Nov-19	-55.00	3793	3798	3711	3738	33170	-1,980	67200	-3290
Dec-19	-49.00	3799	3810	3722	3750	10510	-7,140	38860	7230
Mustard Future Prices									
Oct-19	-23.00	4006	4017	3975	3983	15490	-6,450	31080	42050
Nov-19	-28.00	4069	4078	4035	4041	11450	1,340	29300	23710
Dec-19	-33.00	4074	4058	4038	4041	610	310	2590	1210
Soybean Basis -220					Mustard Basis-227				
Spread					Spread				
	Oct-19	Nov-19	Dec-19			Oct-19	Nov-19	Dec-19	
Oct-19	220				Oct-19	227			
Nov-19		462			Nov-19		169		
Dec-19			450		Dec-19			169	

**Soybean Stock Position & Fed:**

Stocks	Demat	In-Process	Total	FED
	27-Sept-19	27-Sept-19	27-Sept-19	27-Sept-19
Akola	-	-	-	-
Indore	-	-	-	-
Kota	-	-	-	-
Sagar	-	-	-	-
Nagpur	-	-	-	-

**Rapeseed Stock Position & Fed:**

Stocks	Demat	In-Process	Total	FED
	27-Sept-19	27-Sept-19	27-Sept-19	27-Sept-19
Sri Ganganagar	973	0	973	993
Bharatpur	-	-	-	-
Bikaner	7353	-	7353	7353
Kota	3187	0	3187	4802
Jaipur	823	0	823	873
Alwar	436	0	436	1104
Hapur	-	-	-	-

**Oilseed Prices at Key Spot Markets:**

Commodity / Centre	Prices (Rs/Qtl)				Change
Soybean	28-Sep-19		27-Sep-19		
	Low	High	Low	High	
Indore –Plant	4050	4100	4100	4200	-100
Indore–Mandi	Closed	Closed	4000	4100	-
Nagpur-Plant	4060	4100	4060	4100	Unch
Nagpur – Mandi	3625	3850	3650	3900	-50
Latur – Mandi	Closed	Closed	3970	4000	-
Akola – Mandi	Closed	Closed	3600	3975	-
Kota-Plant	4250	4300	4150	4200	100
Kota – Mandi	4200	4250	4100	4200	50
Bundi-Plant	4200	4250	4200	4250	Unch
Bundi-Mandi	4100	4200	4100	4180	20
Baran-Plant	4200	4250	4200	4250	Unch
Baran-Mandi	4100	4125	4050	4170	-45
Bhawani Mandi Jhalawar–Plant	4250	4300	4250	4300	Unch
Jhalwar-Mandi	Closed	Closed	4000	4300	-
Rapeseed/Mustard					
Jaipur-(Condition)	4195	4200	4205	4210	-10
Alwar-(Condition)	4000	4050	4000	4050	Unch
Sri Ganganagar-(Non-Condition)	3750	3850	3620	3960	-110
New Delhi–(Condition)	3980	4000	4020	4025	-25
Kota-(Condition)	3700	3750	3750	3800	-50
Agra-(Condition)	4167	4214	4167	4214	Unch
Neewai-(Condition)	3850	3880	3850	3880	Unch
Hapur (UP)-(Condition)	3900	3950	3950	3970	-20
Groundnut Seed					
Rajkot	750	1025	815	1151	-126
Sunflower Seed					
Gulbarga	Closed	Closed	3325	3650	-
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>28-Sep-19</b>	<b>27-Sep-19</b>	
Madhya Pradesh	Closed	35000	-
Maharashtra	20000	30000	-10000
Rajasthan	5000	5000	Unch
Bundi (Raj)	15	15	Unch
Baran (Raj)	100	1000	-900
Jhalawar (Raj)	Closed	750	-
<b>Rapeseed/Mustard</b>			
Rajasthan	35000	55000	-20000
Alwar	1500	1500	Unch
Sri Ganganagar	500	400	100
Kota	400	500	-100
<b>Groundnut Seed</b>			
Rajkot (Gujarat)	210	210	Unch
<b>Sunflower Seed</b>			
Sholapur (Maharashtra)	NA	NA	-

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

Oilseeds	28-Sep-19	27-Sep-19	Change
Groundnut Kernel	5300	5300	Unch
Gr. Bolds 60/70	8950	8950	Unch
Gr. Javas 60/70	10900	10900	Unch
Gr Javas 70/80	10500	10500	Unch
Gr.Javas 80/90	10200	10200	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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