

Oilseeds Domestic Fundamental

- Mixed tone is seen in Oilseeds complex amid mixed pace of arrivals. Soybean prices increased in MP market amid weak supplies on account of heavy rainfall. Total 2200 bags (100kg each) of new soybean arrived in Indore Mandi and sold Rs. 2700 to 3550 per quintal (contains 16 to 30% moisture). Traders have started to buy new harvested Soybean crop due to lower prices as compared to old seeds prices. To remove the moisture of new crops, traders are following the process to dry it first then adding new seeds along with old seeds further to sell in the market. Prices are expected to decline in coming days in expectation of full pace of harvesting however there should be no more rainfall. NCDEX Soybean and Mustard Oct contract declined amid heavy selling pressures by speculators.
- As per sources, continue rainfall in Gujarat is affecting standing groundnut crops. After raining about 446 mm in August, Gujarat received 311 mm rains in September so far. As per IMD, widespread rains are expected till October 3, with many parts of India. Due to water logging and excess moisture, groundnut crops are damaging especially the batch that was sown early in the season. Farmers are unable to harvest ready crops in lack of dry facilities and storing space.
- As per source, Soybean crops are already grown for 50 to 75 days and are in pod formation to beginning seed stage. Those early varieties of crops are at maturity stage and farmers have started to harvest now, however quality is low due to continue rainfall at the time of harvesting. Water stagnation in MP and Rajasthan may result 10 to 15 % damages of soybean crop so far. 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 traders, total 10 to 15% soybeans are damaged in MP state majorly in the districts of Ratlam, Mandsaur and Neemuch. As per Skymet, from June 1 to September 28, West Madhya Pradesh is rain surplus by 61%, while East Madhya Pradesh by 22%. New harvested crops are in slow pace and less in demand due to moisture.
- As per recent released data of Ministry, the total area under Oilseeds is reported lower at 179.48 lakh hectares as on 27th 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 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.

Oilseeds International Fundamentals

- CBOT Soybean future prices gained today amid lower than expected estimate of U.S. stockpiles and news of further Chinese purchases buoyed prices.
- As per sources, China bought up to 600,000 tonnes of U.S. soybeans on Monday for shipment from November to January as part of a tariff-free quota allotted to the importers to buy up to 2 million tonnes this week.
- 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).
- 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 3950 to 4050 in coming day. Mustard (42%) spot prices are likely to trade in the range of 4080 and 4120 per quintal ahead of a day.

Soybean Future Price									
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Oct-19	-15.00	3925	3988	3892	3897	35050	7,310	30580	-1060
Nov-19	-29.00	3775	3786	3723	3730	21780	-1,460	66980	-470
Dec-19	-31.00	3795	3801	3738	3740	6130	1,600	41520	1530
Mustard Future Prices									
Oct-19	-3	3956	3966	3934	3951	10630	-590	25380	42050
Nov-19	-12	4021	4028	3995	4007	6520	-2,300	34030	23710
Dec-19	-20	4032	4032	4000	4008	210	80	2680	1210
Soybean Basis -223					Mustard Basis-214				
Spread					Spread				
	Oct-19	Nov-19	Dec-19			Oct-19	Nov-19	Dec-19	
Oct-19	228				Oct-19	214			
Nov-19		395			Nov-19		158		
Dec-19			385		Dec-19			157	

Soybean Stock Position & Fed:				
Stocks	Demat	In-Process	Total	FED
	30-Sept-19	30-Sept-19	30-Sept-19	30-Sept-19
Akola	-	-	-	-
Indore	-	-	-	-
Kota	-	-	-	-
Sagar	-	-	-	-
Nagpur	-	-	-	-

Rapeseed Stock Position & Fed:				
Stocks	Demat	In-Process	Total	FED
	30-Sept-19	30-Sept-19	30-Sept-19	30-Sept-19
Sri Ganganagar	973	0	973	973
Bharatpur	-	-	-	-
Bikaner	7353	-	7353	7353
Kota	2824	0	2824	2825
Jaipur	823	0	823	823
Alwar	436	0	436	436
Hapur	-	-	-	-

Oilseed Prices at Key Spot Markets:

Commodity / Centre	Prices (Rs/Qtl)				Change
Soybean	1-Oct-19		30-Sep-19		
	Low	High	Low	High	
Indore –Plant	4075	4125	4050	4100	25
Indore–Mandi	4000	4100	3950	4000	100
Nagpur-Plant	4020	4050	4020	4050	Unch
Nagpur – Mandi	3560	3840	3610	3830	10
Latur – Mandi	3800	4005	3800	3960	45
Akola – Mandi	3300	3875	3100	3960	-85
Kota-Plant	4150	4200	4150	4200	Unch
Kota – Mandi	4100	4150	4100	4150	Unch
Bundi-Plant	4100	4150	4100	4150	Unch
Bundi-Mandi	4000	4100	4000	4100	Unch
Baran-Plant	4150	4200	4150	4200	Unch
Baran-Mandi	4050	4075	4050	4075	Unch
Bhawani Mandi Jhalawar–Plant	4200	4250	4200	4250	Unch
Jhalwar-Mandi	3900	4200	3900	4200	Unch
Rapeseed/Mustard					
Jaipur-(Condition)	4160	4165	4190	4195	-30
Alwar-(Condition)	3950	4000	4000	4050	-50
Sri Ganganagar-(Non-Condition)	3670	3770	3720	3820	-50
New Delhi–(Condition)	3980	4000	3980	4000	Unch
Kota-(Condition)	3610	3660	3660	3710	-50
Agra-(Condition)	4190	4238	4167	4214	24
Neewai-(Condition)	3850	3880	3850	3880	Unch
Hapur (UP)-(Condition)	3900	3950	3900	3950	Unch
Groundnut Seed					
Rajkot	650	900	825	1065	-165
Sunflower Seed					
Gulbarga	3250	3705	3350	3800	-95
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	1-Oct-19	30-Sep-19	
Madhya Pradesh	40000	40000	Unch
Maharashtra	35000	35000	Unch
Rajasthan	6000	7000	-1000
Bundi (Raj)	15	15	Unch
Baran (Raj)	500	800	-300
Jhalawar (Raj)	800	1500	-700
Rapeseed/Mustard			
Rajasthan	55000	55000	Unch
Alwar	1500	1500	Unch
Sri Ganganagar	600	200	400
Kota	1200	700	500
Groundnut Seed			
Rajkot (Gujarat)	270	90	180
Sunflower Seed			
Sholapur (Maharashtra)	NA	NA	-

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

Oilseeds	1-Oct-19	30-Sep-19	Change
Groundnut Kernel	5250	5300	-50
Gr. Bolds 60/70	9050	9150	-100
Gr. Javas 60/70	11000	11100	-100
Gr Javas 70/80	10600	10700	-100
Gr.Javas 80/90	10300	10400	-100
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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