

Oilseeds Domestic Fundamental

- Despite Indore plant prices, Soybean prices witnessed steady to weak tone today amid heavy supplies. The quality of new harvested crops of Soybean are very good and planters are buying in the range of Rs. 3600 to 3700/ quintals. Stockiest are also active in the market.
- As per recent updates of SOPA, India may harvest 17.7% lower Soybean crop to 89.9 lakh tonnes in 2019 against 109.3 lakh tonnes in 2018 on account of heavy rainfall at maturity period of time. The major growing Soybean states like Gujarat, Karnataka, Madhya Pradesh may harvest lower Soya crop by 30% to 0.86 lakh tonnes, 7.1% to 2.69 lakh tonnes, 31.1% to 40.10 lakh tonnes respectively against last year record. However, Farmer may get 5.7% higher Soybean to 36.29 lakh tonnes in Maharashtra in the current season.
- As per the Solvent Extractors' Association of India the export of oilmeals during September 2019 is provisionally reported at 105,232 tons compared to 172,423 tons in September, 2018 i.e. down by 39%. The overall export of oilmeals during April-Sep. 2019 is reported at 1251527 tons compared to 1499049 tons in April-Sep, 2018 i.e. down by 17%. This is mainly due to higher price of domestic produce soybean meal. This make the domestic oilmeal expensive in international market compare to other origins. The export of castor seed meal has increased to 301,666(210,371) tons, mainly exported to South Korea.
- As per source, Soybean crops are already grown for 55 to 80 days and are in seed setting to beginning of maturity 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 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 declined on profit booking phase of the market.
- As per Conab, Brazil may harvest higher Soybean crop by 4.7% to 120.39 Million tonnes in 2019/20 against 115.03 million tonnes in last year. Soybean area in Brazil is likely to stand higher by 1.9% to 36.571 Million Ha. in 2019/20 against 35.874 Million Ha. in 2018/19 season. Brazil may export total 72 Million tonnes in 2019/20 higher from 70 Million tonnes in 2018/2019 however the projected figure is lower from 83.257 million tonnes in 2017/2018. The state of Mato Grosso will increase its soybean acreage by 2.6% to 9.95 million hectares (27.2% of the total) followed by Rio Grande do Sul which will increase 1.0% to 5.83 million hectares (15.9% of the total), Parana will increase 0.9% to 5.48 million hectares (14.9% of the total), Goias will increase 2.0% to 3.54 million hectares (9.6% of the total), and Mato Grosso do Sul will increase 3.4% to 2.95 million hectares (8.0% of the total).
- As per USDA recent released report, U.S. oilseed production for 2019/20 is forecasted lower by 2.3 million tons at 107.9 million tons from last month with lower soybean, peanuts and cottonseed production partly offset by a higher canola and sunflower seed. U.S. Soybean production is forecast at 3.6 billion bushels, down 83 million, mainly on lower yields. U.S may get soybean yield at 46.9 bushels per acres in 2019/20 which is lower than the projection of September month however it is also lower from 47.2 bushels per acres as projected by Reuter analyst poll. Harvested area is reduced slightly to 75.6 million acres. Soybean supplies for 2019/20 are forecast at 4.5 billion bushels down 175 million on lower production and beginning stocks. With a small increase in soybean crush, ending stocks are projected at 460 million bushels, down 180 million.
- As per government report, Brazil shipped total 4,447,700 tonnes in September 2019 lower from 5,321,200 tonnes in August 2019.
- As per sources, European Union bought total 3.4 million tonnes of Soybean till Oct 6, 2019 (season started on July 1) which is 3% lower than the volume as shipped on September 30 last year. EU soymeal imports had reached higher by 19% to 5.3 million tonnes, the year-earlier period, while palm oil imports stood at 1.3 million tonnes, down 16%.

Outlook: The Indore (Plant Delivery) prices are expected to trade in the range of 3500 to 3700 in coming day. Mustard (42%) spot prices are likely to trade in the range of 4250 and 4300 per quintal ahead of a day.

Soybean Future Price									
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Oct-19	-67.00	3766	3740	3671	3699	7660	-1,470	10550	-3340
Nov-19	-28.00	3660	3662	3608	3632	43340	10,290	79180	6370
Dec-19	-26.00	3696	3692	3653	3670	13970	5,800	47900	2360
Mustard Future Prices									
Oct-19	+65.00	4060	4125	4087	4125	220	-11,090	6350	42050
Nov-19	+20.00	4112	4139	4105	4132	8810	-7,680	45640	23710
Dec-19	+24.00	4124	4154	4125	4148	1650	-1,120	6350	1210
Soybean Basis -1					Mustard Basis-160				
Spread					Spread				
	Oct-19	Nov-19	Dec-19			Oct-19	Nov-19	Dec-19	
Oct-19	1				Oct-19	160			
Nov-19		68			Nov-19		153		
Dec-19			30		Dec-19			137	

Soybean Stock Position & Fed:

Stocks	Demat	In-Process	Total	FED
	12-Oct-19	12-Oct-19	12-Oct-19	12-Oct-19
Akola	-	-	-	-
Indore	-	-	-	-
Kota	-	-	-	-
Sagar	-	-	-	-
Nagpur	-	-	-	-

Rapeseed Stock Position & Fed:

Stocks	Demat	In-Process	Total	FED
	12-Oct-19	12-Oct-19	12-Oct-19	12-Oct-19
Sri Ganganagar	971	0	971	971
Bharatpur	-	-	-	-
Bikaner	3560	0	3560	5598
Kota	899	277	1176	462
Jaipur	442	0	442	442
Alwar	274	0	274	274
Hapur	-	-	-	-

Oilseed Prices at Key Spot Markets:

Commodity / Centre	Prices (Rs/Qtl)				Change
Soybean	14-Oct-19		12-Oct-19		
	Low	High	Low	High	
Indore –Plant	3575	3700	3550	3650	50
Indore–Mandi	3200	3500	3200	3500	Unch
Nagpur-Plant	3750	3800	3750	3800	Unch
Nagpur – Mandi	2910	3510	2800	3590	-80
Latur – Mandi	NA	NA	2975	3865	-
Akola – Mandi	2950	3600	2800	3600	Unch
Kota-Plant	3600	3650	3775	3825	-175
Kota – Mandi	3300	3400	3500	3550	-150
Bundi-Plant	3500	3600	3650	3750	-150
Bundi-Mandi	3300	3400	3450	3550	-150
Baran-Plant	3650	3700	3775	3820	-120
Baran-Mandi	3500	3540	3600	3650	-110
Bhawani Mandi Jhalawar–Plant	3700	3800	3850	3950	-150
Jhalwar-Mandi	3600	3650	3750	3800	-150
Rapeseed/Mustard					
Jaipur-(Condition)	4280	4285	4270	4275	10
Alwar-(Condition)	4025	4050	4025	4050	Unch
Sri Ganganagar-(Non-Condition)	3750	3850	3850	3900	-50
New Delhi–(Condition)	4070	4080	4065	4075	5
Kota-(Condition)	3875	3975	3850	3950	25
Agra-(Condition)	4143	4238	4143	4238	Unch
Neewai-(Condition)	3915	3975	3915	3975	Unch
Hapur (UP)-(Condition)	3950	4000	3950	4000	Unch
Groundnut Seed					
Rajkot	800	1050	880	1050	Unch
Sunflower Seed					
Gulbarga	NA	NA	3200	3550	-
Latur	NA	NA	NA	NA	-
Sholapur	3850	3900	3900	3950	-50
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	14-Oct-19	12-Oct-19	
Madhya Pradesh	325000	225000	100000
Maharashtra	125000	90000	35000
Rajasthan	70000	15000	55000
Bundi (Raj)	62	62	Unch
Baran (Raj)	1300	700	600
Jhalawar (Raj)	1200	300	900
Rapeseed/Mustard			
Rajasthan	55000	40000	15000
Alwar	1500	2000	-500
Sri Ganganagar	400	600	-200
Kota	1000	800	200
Groundnut Seed			
Rajkot (Gujarat)	3150	1350	1800
Sunflower Seed			
Sholapur (Maharashtra)	2000	2000	Unch

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

Oilseeds	14-Oct-19	12-Oct-19	Change
Groundnut Kernel	5150	5100	50
Gr. Bolds 60/70	8650	8750	-100
Gr. Javas 60/70	10500	10700	-200
Gr Javas 70/80	10100	10300	-200
Gr.Javas 80/90	9800	10000	-200
KardiSeed 2% Exp Qly	5200	5200	Unch
Sesame White 98/2/1 FM	10500	10500	Unch
Whitish 95/5/FFA/1FM	10300	10300	Unch
Brown 48/2 FFA/4 FM	9500	9500	Unch
Brown 48/3 FFA/4 FM	9300	9300	Unch
Brown 48/4 FM/* No FFA Guarantee	9000	9000	Unch
Sunflower Seed	3600	3600	Unch
Niger Seed (4% FM)	5500	5500	Unch

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