

### **Oilseeds Domestic Fundamental**

- Mixed trends are featured at most of Oilseeds trading centers today on mixed sentiments. Arrivals are noted in ups and downs pace. Lower soybean crop estimates are supporting Soybean prices to increase. The quality of new harvested crops of Soybean are very good. NCDEX Soybean November contract closed on lower side amid selling interests.
- As per trade body, India may grow 18% lower Soybean crop to 9 million tonnes in 2019 due to excess rainfall at the time of maturity stage. Madhya Pradesh received 44% above average rainfall which resulted water logging and badly affected soybean matured crops. As per SOPA survey, Soybean crops have damaged in Rajasthan and Maharashtra states as well.
- 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 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.

### **Oilseeds International Fundamentals**

- CBOT Soybean future prices declined after weak export sales report of this week.
- During (Oct 4-10,2019) U.S. sold total 1,601,000 metric tons for 2019/2020 which were down 24 percent from the previous week and 8 percent from the prior 4-week average. Increases primarily for China (850,500 MT, including 63,000 MT switched from unknown destinations and decreases of 3,000 MT), Egypt (160,200 MT, including 169,500 MT switched from unknown destinations and decreases of 13,700 MT), unknown destinations (137,100 MT), Mexico (102,000 MT, including decreases of 2,100 MT), and Thailand (84,700 MT, including 66,000 MT switched from unknown destinations), were partially offset by reductions for the United Kingdom (2,900 MT) and Barbados (700). Exports of 956,100 MT were down 8 percent from the previous week, but up 6 percent from the prior 4-week average. The destinations were primarily to Egypt (210,200 MT), Pakistan (139,100 MT), China (136,000 MT), Mexico (96,000 MT), and Thailand (85,400 MT).
- As per Reuter, China imported 13.5% lower Soybean to 8.2 million tonnes in September 2019 due to lower demand of Soymeal after an epidemic of African swine fever. China bought 9.48 million tonnes in last month. It is slightly lower from 8.01 million tonnes in September 2018.
- 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 sources, Ukraine may export lower soybean by 19.8% to 2 million tonnes in 2019/20 against previous year record. While, it may export higher sunoil by 0.8% to 6.1 million tonnes in 2019/20 from last year record. The country may export 16.7% higher Rapeseed to 2.86 million tonnes in 2019/20 against 2018/19 season.
- 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.

**Outlook:** The Indore (Plant Delivery) prices are expected to trade in the range of 3750 to 3850 in coming day. Mustard (42%) spot prices are likely to trade in the range of 4290 and 4350 per quintal ahead of a day.

Soybean Future Price									
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Oct-19	+55.00	3815	3908	3753	3850	11280	8,420	1940	-2960
Nov-19	-23.00	3750	3766	3716	3729	32320	-16,590	78870	3920
Dec-19	-22.00	3805	3805	3751	3760	14730	-12,540	63450	2180
Mustard Future Prices									
Oct-19	+17.00	4105	4224	4105	4140	4140	4,130	790	42050
Nov-19	-1.00	4136	4159	4121	4141	16130	-6,280	40490	23710
Dec-19	-2.00	4169	4175	4140	4165	7940	2,840	13090	1210
Soybean Basis – (-30)					Mustard Basis-175				
Spread					Spread				
	Oct-19	Nov-19	Dec-19			Oct-19	Nov-19	Dec-19	
Oct-19	-30				Oct-19	175			
Nov-19		91			Nov-19		174		
Dec-19			60		Dec-19			150	

**Soybean Stock Position & Fed:**

Stocks	Demat	In-Process	Total	FED
	17-Oct-19	17-Oct-19	17-Oct-19	17-Oct-19
Akola	-	100	-	100
Indore	-	-	-	-
Kota	339	180	519	-
Sagar	-	-	-	-
Nagpur	-	-	-	-

**Rapeseed Stock Position & Fed:**

Stocks	Demat	In-Process	Total	FED
	17-Oct-19	17-Oct-19	17-Oct-19	17-Oct-19
Sri Ganganagar	971	0	971	971
Bharatpur	-	-	-	-
Bikaner	3257	0	3257	3560
Kota	1666	636	2302	899
Jaipur	211	0	211	442
Alwar	274	0	274	274
Hapur	-	-	-	-

**Oilseed Prices at Key Spot Markets:**

Commodity / Centre	Prices (Rs/Qtl)				Change
Soybean	18-Oct-19		17-Oct-19		
	Low	High	Low	High	
Indore –Plant	3700	3820	3800	3900	-80
Indore–Mandi	3000	3700	3500	3800	-100
Nagpur-Plant	3675	3775	3700	3775	Unch
Nagpur – Mandi	3000	3600	2800	3400	200
Latur – Mandi	2950	3770	2950	3775	-5
Akola – Mandi	2900	3585	2800	3450	135
Kota-Plant	3650	3700	3700	3750	-50
Kota – Mandi	3000	3600	3200	3650	-50
Bundi-Plant	3650	3700	3650	3700	Unch
Bundi-Mandi	3400	3500	3450	3525	-25
Baran-Plant	3700	3750	3700	3725	25
Baran-Mandi	3500	3600	3500	3550	50
Bhawani Mandi Jhalawar–Plant	3700	3750	3650	3700	50
Jhalwar-Mandi	3600	3700	3600	3650	50
Rapeseed/Mustard					
Jaipur-(Condition)	4310	4315	4325	4330	-15
Alwar-(Condition)	4000	4100	4100	4200	-100
Sri Ganganagar-(Non-Condition)	3900	4000	3900	4000	Unch
New Delhi–(Condition)	4100	4115	4100	4125	-10
Kota-(Condition)	3800	3900	3750	3800	100
Agra-(Condition)	4238	4286	4286	4310	-24
Neewai-(Condition)	4000	4030	4000	4030	Unch
Hapur (UP)-(Condition)	3950	4000	4050	4100	-100
Groundnut Seed					
Rajkot	800	1075	750	1030	45
Sunflower Seed					
Gulbarga	NA	NA	NA	NA	-
Latur	NA	NA	NA	NA	-
Sholapur	3900	3950	3900	3950	Unch
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>18-Oct-19</b>	<b>17-Oct-19</b>	
Madhya Pradesh	250000	225000	25000
Maharashtra	175000	150000	25000
Rajasthan	60000	50000	10000
Bundi (Raj)	1000	900	100
Baran (Raj)	7000	12000	-5000
Jhalawar (Raj)	2200	2500	-300
<b>Rapeseed/Mustard</b>			
Rajasthan	55000	55000	Unch
Alwar	1500	1000	500
Sri Ganganagar	400	500	-100
Kota	800	500	300
<b>Groundnut Seed</b>			
Rajkot (Gujarat)	NA	NA	-
<b>Sunflower Seed</b>			
Sholapur (Maharashtra)	1500	2000	-500

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

Oilseeds	18-Oct-19	17-Oct-19	Change
Groundnut Kernel	5200	5150	50
Gr. Bolds 60/70	8350	8550	-200
Gr. Javas 60/70	10200	10400	-200
Gr Javas 70/80	9800	10000	-200
Gr.Javas 80/90	9500	9700	-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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