

Oilseeds Domestic Fundamental

- Mixed trends are extended at most of Oilseeds trading centers today on mixed sentiments. Arrivals are remained 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.
- 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 higher at 180.41 lakh hectares as on 4th Oct 2019 against 180.16 lakh hectares in the previous year in the corresponding period of time. There is a drop-in sowing of groundnuts to 39.40 lakh hectares against 40.49 lakh hectares last year. Total covering area of Soybean stood at 114.24 lakh hectares against 113.10 lakh hectares last year. Castor has been planted on 9.55 lakh hectares against 8.89 lakh hectares last year. Sunflower has been planted on 1.12 lakh hectares against 1.17 lakh hectares last year. Sesame has been planted on 13.79 lakh hectares against 14.47 lakh hectares last year, Nigerseed has been planted on 2.31 lakh ha against 2.04 lakh ha last year.

Oilseeds International Fundamentals

- CBOT Soybean future prices declined after weak US export sales report of this week. China bought higher Soybean from Brazil due to lower price quote.
- 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 Soybean 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 3680 to 3720 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	+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
	18-Oct-19	18-Oct-19	18-Oct-19	18-Oct-19
Akola	-	100	-	100
Indore	-	-	-	-
Kota	339	180	519	-
Sagar	-	-	-	-
Nagpur	-	-	-	-

Rapeseed Stock Position & Fed:

Stocks	Demat	In-Process	Total	FED
	18-Oct-19	18-Oct-19	18-Oct-19	18-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	19-Oct-19		18-Oct-19		
	Low	High	Low	High	
Indore –Plant	3700	3750	3700	3820	-70
Indore–Mandi	3100	3675	3000	3700	-25
Nagpur-Plant	3700	3800	3675	3775	25
Nagpur – Mandi	3000	3550	3000	3600	-50
Latur – Mandi	3200	3700	2950	3770	-70
Akola – Mandi	2900	3525	2900	3585	-60
Kota-Plant	3625	3650	3650	3700	-50
Kota – Mandi	3000	3625	3000	3600	25
Bundi-Plant	3650	3700	3650	3700	Unch
Bundi-Mandi	3000	3600	3400	3500	100
Baran-Plant	3700	3725	3700	3750	-25
Baran-Mandi	Closed	Closed	3500	3600	-
Bhawani Mandi Jhalawar–Plant	3650	3700	3700	3750	-50
Jhalwar-Mandi	3400	3650	3600	3700	-50
Rapeseed/Mustard					
Jaipur-(Condition)	4305	4310	4310	4315	-5
Alwar-(Condition)	4000	4100	4000	4100	Unch
Sri Ganganagar-(Non-Condition)	3800	4000	3900	4000	Unch
New Delhi–(Condition)	4080	4100	4100	4115	-15
Kota-(Condition)	3700	3800	3800	3900	-100
Agra-(Condition)	4238	4286	4238	4286	Unch
Neewai-(Condition)	3950	4000	4000	4030	-30
Hapur (UP)-(Condition)	3950	4000	3950	4000	Unch
Groundnut Seed					
Rajkot	815	1030	800	1075	-45
Sunflower Seed					
Gulbarga	3152	3554	2802	3504	50
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
Soybean	19-Oct-19	18-Oct-19	
Madhya Pradesh	225000	250000	-25000
Maharashtra	200000	175000	25000
Rajasthan	70000	60000	10000
Bundi (Raj)	1400	1000	400
Baran (Raj)	Closed	7000	-
Jhalawar (Raj)	3000	2200	800
Rapeseed/Mustard			
Rajasthan	50000	55000	-5000
Alwar	1500	1500	Unch
Sri Ganganagar	500	400	100
Kota	500	800	-300
Groundnut Seed			
Rajkot (Gujarat)	5850	NA	-
Sunflower Seed			
Sholapur (Maharashtra)	1500	1500	Unch

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

Oilseeds	19-Oct-19	18-Oct-19	Change
Groundnut Kernel	5200	5200	Unch
Gr. Bolds 60/70	8150	8350	-200
Gr. Javas 60/70	10000	10200	-200
Gr Javas 70/80	9600	9800	-200
Gr.Javas 80/90	9300	9500	-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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