

Oilseeds Domestic Fundamental

- Weak tone are featured in Soybean complex amid heavy pace of arrivals. However, Mustard seed prices increased after strong demand of local crushers and less supplies in the markets. Farmers and traders are holding their mustard stocks in expectation of further more price hike. NCDEX Soybean and Mustard seed prices closed on higher side today on good buying activities of speculators.
- Mustard seed sowing for Rabi season is likely to begin soon in full pace. High water level in most reservoirs will support to increase yield. However, acreage may decline less as sowing is delaying due to recent rainfall in September and October and late harvesting of Kharif crops. Farmers are waiting water to dry up the sowing low lying land. The government expects Mustard seed production at 8.24 MT for 2019-20 lower than last year record.
- Farmers in MP have harvested almost 90% of Soybean crop of this season. In Rajasthan, 70% harvesting has been completed. In Maharashtra, harvesting pace is slow and it has been completed up to 40% so far on account of elections activities and rainfall in the last week. Farmers may complete all over harvesting up to 10th November.
- According to IOPEPC (The Indian Oilseeds and Produce Export Promotion Councils) survey report, India is likely to harvest groundnut crop at 68.60 lakh tons during Kharif 2019 higher against 51.96 lakh tons in previous year. It expects higher groundnut's yields at 1745 Kg/Ha compared to 1336 Kg/Ha for this season.
- Groundnut seed and oil exports is expected to be high in this season as China is encouraging imports of groundnut oil instead of soybean oil. Relatively, Indian government has approved to bulk export of groundnut oil. Bumper groundnut crop expectation in India and lower crop prospectus in Africa will support Indian exporters to ship higher volume this year.
- NAFED has started to procure soybean Kharif 2019 season in Telangana state of India. As on 22nd Oct 2019, it procured total 118.70 MT from various trading centers of Telangana farmers. Total 492.10 MT has been procured so far from 271 farmers. The State government has requested the Centre to increase the quantity of procurement of the Soybean crop produced in Telangana than the approved quota since the market price has been ruling below the minimum support price of ₹3,710 per quintal. Centre has agreed to procure 58,608 tonnes about 30.2% of the estimated production, of Soybean.
- Government has announced Rs. 225 higher MSP of Mustard seed for Rabi 2020-21 season to Rs.4425 against Rs. 4200 in 2019-20.
- 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.

Oilseeds International Fundamentals

- CBOT Soybean future prices increased today after higher sale report of USDA of this week.
- Farmers in Brazil have completed 34% of Soybean planting area lower against 49% in last year record so far of this season. It is also lower from 36% of five years average planting area due to less rainfall. Planting has improved in Brazil especially in the state of Mato Grosso. However, it is still slow in dried areas like south-central Brazil and the states of Parana, Mato Grosso do Sul, Sao Paulo and surrounding areas. Soybean yields in Brazil could still be OK as long as the planting is not delayed past about mid-November. Rainfall volume is the major factor to estimates actual yield of this season.
- During the week (Oct 18 -24, 2019) US sold 99% higher Soybean at 943,600 MT for 2019/20 marketing compared to previous week however it is down by 39% from the prior 4- week average. Increases primarily for China (481,000 MT, including 68,000 MT switched from unknown destinations and decreases of 7,100 MT), Germany (135,900 MT, switched from the Netherlands), Thailand (95,400 MT, including 65,000 MT switched from unknown destinations and decreases of 400 MT), Japan (90,400 MT, including 90,700 MT switched from unknown destinations and decreases of 2,100 MT), and Spain (87,500 MT, including 83,000 MT switched from unknown destinations), were partially offset by reductions for unknown destinations (351,500 MT). Exports of 1,723,300 MT were up 25 percent from the previous week and 63 percent from the prior 4-week average. The destinations were primarily to China (536,000 MT), Mexico (207,500 MT), the Netherlands (141,200 MT), Germany (135,900 MT), and Egypt (105,200 MT).
- As per USDA, U.S. farmers have harvested soybean crop 62% of their soybean crop, up from 46% a week earlier although below the average pace of 78% at this time of the year.
- As per sources, European Union bought total 4.25 million tonnes of Soybean till Oct 27,2019 (season started on July 1) which is 2% higher than the volume as shipped on October 21 last year. EU soymeal imports had reached higher by 20% to 6.3 million tonnes, the year-earlier period, while palm oil imports stood at 1.7 million tonnes, down 12%.
- As per IGC (International Grain Council), Global soybean output may decline by 18 million tonne to 341 million tonnes due to slight shortfall in U.S Soybean output for this season and lower planting area so far in Brazil.

Outlook: The Indore (Plant Delivery) prices are expected to trade in the range of 3800 to 3850 in coming day. Mustard (42%) spot prices are likely to trade in the range of 4400 and 4450 per quintal ahead of a day.

Soybean Future Price									
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Nov-19	+79	3795	3880	3783	3870	38450	13,820	61100	-5530
Dec-19	+78	3824	3906	3810	3896	31870	12,470	87480	3800
Jan-20	+74	3845	3937	3845	3930	12060	6,140	32460	4820
Mustard Future Prices									
Nov-19	+2	4299	4323	4294	4307	15990	1,370	35470	42050
Dec-19	-3	4275	4300	4268	4279	9000	4,760	20260	23710
Jan-20	+5	4272	4285	4272	4280	100	20	290	1210
Soybean Basis – 30					Mustard Basis-123				
Spread					Spread				
	Oct-19	Nov-19	Dec-19			Oct-19	Nov-19	Dec-19	
Oct-19	30				Oct-19	123			
Nov-19		4			Nov-19		151		
Dec-19			-30		Dec-19			150	

Soybean Stock Position & Fed:

Stocks	Demat	In-Process	Total	FED
	30-Oct-19	30-Oct-19	30-Oct-19	30-Oct-19
Akola	1198	409	1696	1198
Indore	-	-	-	-
Kota	1814	2447	4261	1536
Sagar	-	-	-	-
Nagpur	-	-	-	-

Rapeseed Stock Position & Fed:

Stocks	Demat	In-Process	Total	FED
	30-Oct-19	30-Oct-19	30-Oct-19	30-Oct-19
Sri Ganganagar	51	0	51	51
Bharatpur	-	-	-	-
Bikaner	273	0	273	273
Kota	3327	0	3327	3327
Jaipur	273	30	303	121
Alwar	-	-	-	254
Hapur	-	-	-	-

Oilseed Prices at Key Spot Markets:

Commodity / Centre	Prices (Rs/Qtl)				Change
Soybean	31-Oct-19		30-Oct-19		
	Low	High	Low	High	
Indore –Plant	3750	3900	3850	4000	-100
Indore–Mandi	3400	3800	3600	3900	-100
Nagpur-Plant	3700	3730	3700	3730	Unch
Nagpur – Mandi	3000	3300	Closed	Closed	-
Latur – Mandi	NA	NA	Closed	Closed	-
Akola – Mandi	2400	3555	2500	3500	55
Kota-Plant	3650	3700	3750	3775	-75
Kota – Mandi	3400	3650	3400	3700	-50
Bundi-Plant	3600	3700	3700	3750	-50
Bundi-Mandi	3300	3600	3400	3700	-100
Baran-Plant	3750	3800	3800	3850	-50
Baran-Mandi	3650	3750	3700	3800	-50
Bhawani Mandi Jhalawar–Plant	3750	3800	3800	3860	-60
Jhalwar-Mandi	Closed	Closed	Closed	Closed	-
Rapeseed/Mustard					
Jaipur-(Condition)	4425	4430	4415	4420	10
Alwar-(Condition)	4200	4300	4200	4300	Unch
Sri Ganganagar-(Non-Condition)	4000	4125	4000	4100	25
New Delhi–(Condition)	4225	4250	4200	4225	25
Kota-(Condition)	3950	4050	3900	4000	50
Agra-(Condition)	4333	4405	4333	4405	Unch
Neewai-(Condition)	4150	4200	4125	4175	25
Hapur (UP)-(Condition)	4100	4150	4100	4150	Unch
Groundnut Seed					
Rajkot	Closed	Closed	Closed	Closed	-
Sunflower Seed					
Gulbarga	NA	NA	2800	3511	-
Latur	NA	NA	NA	NA	-
Sholapur	3950	4000	3950	4000	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	31-Oct-19	30-Oct-19	
Madhya Pradesh	250000	200000	50000
Maharashtra	175000	90000	85000
Rajasthan	75000	60000	15000
Bundi (Raj)	600	1500	-900
Baran (Raj)	10000	15000	-5000
Jhalawar (Raj)	Closed	Closed	-
Rapeseed/Mustard			
Rajasthan	50000	50000	Unch
Alwar	7000	7000	Unch
Sri Ganganagar	300	300	Unch
Kota	400	700	-300
Groundnut Seed			
Rajkot (Gujarat)	Closed	Closed	-
Sunflower Seed			
Sholapur (Maharashtra)	2000	2000	Unch

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

Oilseeds	31-Oct-19	30-Oct-19	Change
Groundnut Kernel	5100	5100	Unch
Gr. Bolds 60/70	7350	7350	Unch
Gr. Javas 60/70	9200	9200	Unch
Gr Javas 70/80	8800	8800	Unch
Gr.Javas 80/90	8500	8500	Unch
KardiSeed 2% Exp Qly	5350	5350	Unch
Sesame White 98/2/1 FM	10500	10500	Unch
Whitish 95/5/FFA/1FM	10300	10300	Unch
Brown 48/2 FFA/4 FM	10100	10100	Unch
Brown 48/3 FFA/4 FM	9700	9700	Unch
Brown 48/4 FM/* No FFA Guarantee	9500	9500	Unch
Sunflower Seed	4100	4100	Unch
Niger Seed (4% FM)	5500	5500	Unch

Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/disclaimer.php> © 2019 Indian Agribusiness Systems Ltd.