

### **Oilseeds Domestic Fundamental**

- Firm trends are reported in Oilseed complex today after strong demand of stockiest and traders ahead of less crop expectation of this season. Arrivals of new crops are also higher due to good price hike of soybean of this season. 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 prices closed on higher side today on good buying activities of speculators however Mustard seed prices declined on profit booking phase.
- NAFED has started to procure soybean Kharif 2019 season in Telangana state of India. As on 29th Oct 2019, it has procured total 260 MT from various trading centers of Telangana farmers. Total 1834.35 MT has been procured so far from 1032 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.
- 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 completed Soybean crop harvesting of this season. In Rajasthan, 90% harvesting has been completed. In Maharashtra, harvesting pace is slow and it has been completed up to 70% so far on account of elections activities and rainfall in the last week. Farmers may complete all over harvesting up to 10<sup>th</sup> 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. India may harvest bumper Sesame seeds approx. 3.97 lakh tons during Kharif ,2019 as compared to 1.77 lakh tonnes in previous year record due to good rise of yield i.e. 298 Kg/Ha higher from 134 Kg/Ha in last year record. 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.
- 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 rose supported by good exports sales report and positive progress of trade deal between China and U.S. As per sources, the president of both countries will sign a "Phase One" trade deal around Mid-November. Private exporters sold total 132,000 tonnes of U.S. soybeans to China on Friday. A sper USDA, China may buy total 6.322 million tonnes of U.S. Soybean for the marketing year (Sep. 1 to Aug 31). Since Sept. 1, the beginning of the marketing year, 1.64 million tonnes of U.S. soybeans have been exported to China.
- U.S soybean harvest pace is reported lower mainly in North Dakota and Minnesota due to excess rain and an October snowstorm. In Minnesota, farmers have finished 62% soybean crops through Oct.27 lower from with the five-year average of 93%. In North Dakota, farmers have finished only 29% of their soybeans on account of wet conditions that leave the ground too soft to support harvest equipment.
- 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).

**Outlook:** The Indore (Plant Delivery) prices are expected to trade in the range of 3900 to 3950 in coming day. Mustard (42%) spot prices are likely to trade in the range of 4430 and 4460 per quintal ahead of a day.

| Soybean Future Price  |        |        |        |      |                   |        |        |        |        |
|-----------------------|--------|--------|--------|------|-------------------|--------|--------|--------|--------|
| Contract              | +/-    | Open   | High   | Low  | Close             | Volume | Change | OI     | Change |
| Nov-19                | +10    | 3883   | 3947   | 3851 | 3873              | 44990  | 6,540  | 58940  | -2160  |
| Dec-19                | +8     | 3908   | 3975   | 3880 | 3900              | 66540  | 34,670 | 96270  | 8790   |
| Jan-20                | +10    | 3930   | 4005   | 3916 | 3933              | 14570  | 2,510  | 35460  | 3000   |
| Mustard Future Prices |        |        |        |      |                   |        |        |        |        |
| Nov-19                | -13.00 | 4306   | 4339   | 4272 | 4293              | 20810  | 4,820  | 34120  | 42050  |
| Dec-19                | -4.00  | 4280   | 4328   | 4262 | 4275              | 18550  | 9,550  | 20950  | 23710  |
| Jan-20                | 20     | 4301   | 4311   | 4260 | 4280              | 440    | 340    | 610    | 1210   |
| Soybean Basis – 127   |        |        |        |      | Mustard Basis-147 |        |        |        |        |
| Spread                |        |        |        |      | Spread            |        |        |        |        |
|                       | Oct-19 | Nov-19 | Dec-19 |      |                   | Oct-19 | Nov-19 | Dec-19 |        |
| Oct-19                | 127    |        |        |      | Oct-19            | 147    |        |        |        |
| Nov-19                |        | 100    |        |      | Nov-19            |        | 165    |        |        |
| Dec-19                |        |        | 67     |      | Dec-19            |        |        | 160    |        |

**Soybean Stock Position & Fed:**

| Stocks | Demat     | In-Process | Total     | FED       |
|--------|-----------|------------|-----------|-----------|
|        | 31-Oct-19 | 31-Oct-19  | 31-Oct-19 | 31-Oct-19 |
| Akola  | 1577      | 200        | 1777      | 1198      |
| Indore | -         | -          | -         | -         |
| Kota   | 2234      | 2258       | 4492      | 1536      |
| Sagar  | -         | -          | -         | -         |
| Nagpur | -         | -          | -         | -         |

**Rapeseed Stock Position & Fed:**

| Stocks         | Demat     | In-Process | Total     | FED       |
|----------------|-----------|------------|-----------|-----------|
|                | 31-Oct-19 | 31-Oct-19  | 31-Oct-19 | 31-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   | 1-Nov-19        |      | 31-Oct-19 |        |        |
|   | Low             | High | Low       | High   |        |
| Indore –Plant   | 3900            | 4000 | 3750      | 3900   | 100    |
| Indore–Mandi  | 3400            | 3800 | 3400      | 3800   | Unch   |
| Nagpur-Plant  | 3850            | 3900 | 3700      | 3730   | 170    |
| Nagpur – Mandi  | 3010            | 3525 | 3000      | 3300   | 225    |
| Latur – Mandi   | NA              | NA   | 3100      | 3725   | -      |
| Akola – Mandi   | 2300            | 3550 | 2400      | 3555   | -5     |
| Kota-Plant  | 3750            | 3800 | 3650      | 3700   | 100    |
| Kota – Mandi  | 3600            | 3750 | 3400      | 3650   | 100    |
| Bundi-Plant   | 3750            | 3850 | 3600      | 3700   | 150    |
| Bundi-Mandi   | 3500            | 3800 | 3300      | 3600   | 200    |
| Baran-Plant   | 3850            | 3900 | 3750      | 3800   | 100    |
| Baran-Mandi   | 3750            | 3850 | 3650      | 3750   | 100    |
| Bhawani Mandi Jhalawar–Plant  | 3900            | 3950 | 3750      | 3800   | 150    |
| Jhalwar-Mandi   | 3700            | 3850 | 3500      | 3730   | 120    |
| <b>Rapeseed/Mustard</b>   |                 |      |           |        |        |
| Jaipur-(Condition)  | 4435            | 4440 | 4425      | 4430   | 10     |
| Alwar-(Condition)   | 4200            | 4300 | 4200      | 4300   | Unch   |
| Sri Ganganagar-(Non-Condition)  | 4050            | 4150 | 4000      | 4125   | 25     |
| New Delhi–(Condition)   | 4225            | 4250 | 4225      | 4250   | Unch   |
| Kota-(Condition)  | 3950            | 4050 | 3950      | 4050   | Unch   |
| Agra-(Condition)  | 4333            | 4405 | 4333      | 4405   | Unch   |
| Neewai-(Condition)  | 4150            | 4200 | 4150      | 4200   | Unch   |
| Hapur (UP)-(Condition)  | 4100            | 4150 | 4100      | 4150   | Unch   |
| <b>Groundnut Seed</b>   |                 |      |           |        |        |
| Rajkot  | 780             | 1000 | Closed    | Closed | -      |
| <b>Sunflower Seed</b>   |                 |      |           |        |        |
| Gulbarga  | NA              | NA   | 3050      | 3500   | -      |
| Latur   | NA              | NA   | NA        | NA     | -      |
| Sholapur  | 3975            | 4025 | 3950      | 4000   | 25     |
| 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>1-Nov-19</b>      | <b>31-Oct-19</b> |        |
| Madhya Pradesh          | 375000               | 250000           | 125000 |
| Maharashtra             | 175000               | 175000           | Unch   |
| Rajasthan               | 75000                | 75000            | Unch   |
| Bundi (Raj)             | 900                  | 600              | 300    |
| Baran (Raj)             | 14000                | 10000            | 4000   |
| Jhalawar (Raj)          | 4000                 | 8000             | -4000  |
| <b>Rapeseed/Mustard</b> |                      |                  |        |
| Rajasthan               | 45000                | 50000            | -5000  |
| Alwar                   | 7000                 | 7000             | Unch   |
| Sri Ganganagar          | 300                  | 300              | Unch   |
| Kota                    | 400                  | 400              | Unch   |
| <b>Groundnut Seed</b>   |                      |                  |        |
| Rajkot (Gujarat)        | 6800                 | Closed           | -      |
| <b>Sunflower Seed</b>   |                      |                  |        |
| Sholapur (Maharashtra)  | 2000                 | 2000             | Unch   |

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

| Oilseeds                         | 1-Nov-19 | 31-Oct-19 | Change |
|----------------------------------|----------|-----------|--------|
| Groundnut Kernel                 | 5125     | 5100      | 25     |
| Gr. Bolds 60/70                  | 7050     | 7350      | -300   |
| Gr. Javas 60/70                  | 8900     | 9200      | -300   |
| Gr Javas 70/80                   | 8500     | 8800      | -300   |
| Gr.Javas 80/90                   | 8200     | 8500      | -300   |
| 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   |

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