

**Oilseeds Domestic Fundamental**

Mixed tone are seen in Oilseeds complex today on mixed sentiments today. Soybean prices declined due to less demand of millers and crushers. While, Mustard seed prices rose in Jaipur market today ahead of less supplies. Millers are likely to buy Nafed's mustard stocks to fulfill its regular requirements due to lower price quote compared to mandies prices. Stockiest are also releasing their mustard stocks at the current level. Traders expect mustard seed prices between 4300/qrtl to 4500/qrtl in Rajasthan markets in Jan month end in hope ample supplies. Weakness in oil markets, and less demand in poultry and fisheries markets will also make more pressures in oilseeds complex. NCDEX prices of Soybean and Mustard seed Jan contract declined on selling pressures today.

Mustard sowing area in the current week is 68.12 lakh hectares as on 10th Jan 2020 lower against 68.88 lakh hectares areas in corresponding week of 2019. Crop is 50 to 80 days old and is in flowering to pod development stage. However, short duration matured crop is in maturity stage. Rainfall received during 2nd week of Jan`20 was beneficial for the crop. Incidence of sucking pest has been reported by the field and same is below economic threshold level. Overall crop condition is normal. Acreage of Mustard in the current season is almost similar to 2018. Mustard crop major growing states are Rajasthan, Madhya Pradesh, and Uttar Pradesh and Haryana state. In Rajasthan, traders expect total 2 to 5% lower mustard sowing area as mustard area may shift to garlic and wheat crop due to good price hike in last season compared to mustard seed prices. Recent rainfall will also support to increase yield of wheat and garlic crop compared to mustard crop. In Baran and Kota district, sowing is likely to be lower by 20%. While in Alwar, Bharatpur district, it is likely to be equal like 2018 season. However, sowing area may increase nearly 2 to 5 % in Ganganagar districts due to good rainfall.

As per recent released data of Ministry, the total area under Oilseeds is reported lower by 0.8 lakh hectares to 77.68 lakh hectares as on 10th Jan 2020 against 78.43 lakh hectares in the previous year in the corresponding period of time. There is a drop-in sowing of Mustard seed to 68.12 lakh hectares lower by 0.80 lakh hac. against 68.88 lakh hectares in last year. Total covering area of groundnut stood at 4.18 lakh hectares higher against 3.99 lakh hectares in last year. Safflower has been planted on 0.51 lakh hectares higher from last year record i.e.0.38 lakh hectares. Sunflower has been planted on 0.91 lakh hectares lower against 1.04 lakh hectares last year. Sesame has been planted on 0.42 lakh hectares lower from last year. Linseed has been planted on 3.20 lakh hectares lower against 3.34 lakh hectares in last year.

Agriwatch estimates 8.74 million tonnes of Soybean output in India for 2019-20 season which is sharply down by 42.73% against 12.59 million tonnes in 2018-19 despite covering 1.02% higher soybean area in this year due to bad weather condition. Rains in MP came when harvest has ongoing and crop was damaged to the extent of 20% in the Malwa region. Damage was 30-35% in Neemuch, Mandsaur, Nagada and Janora and 10-15% in Indore, Dewas and Ujjain. Soybean seed was damaged and quality of soybean was inferior. The size of seed was small and quality of seed was bad. Some crop was damaged while drying in some areas. Rains came in Maharashtra when harvest was in progress. Crop damage is 5% of the total while 10% of area was affected in which damage was 50%. Waterlogging was the main reason for damage which led to seed damage and bad quality of the seed due to fungus. Vidharba reported higher damage with losses as high as 50% of the crop damaged in 20% of the area. Akola reported major damage. Latur, Solapur and Beed reported 10% damage while Parbani, Nanded and Hingoli reported 15% damage to the crop.

Oilseeds International Fundamentals

CBOT futures prices declined due to uncertainty about China's soybean buying activities as agreed upon in Phase 1 trade deal.

According to China's General Administration of Customs (CNGOIC), China's Dec soybean imports rose 15.3 percent to 9.54 MMT from 8.28 MMT in Nov 2019. Imports in Dec are 66.80 percent higher than Dec 2018 import of 5.72 MMT. Year to date soybean imports rose 0.5 percent to 88.511 MMT. As per agriculture ministry, soybean import in China may increase in 2020. Total soybean import from U.S. declined in 2019 due to trade war between U.S. and China. The country bought total 88.51 million tonnes soybean in 2019 higher from 88.03 million tonnes in 2018 however lower from 95.53 million tonnes in 2017 before the trade war was broke. African swine fever disease in China has also affected total volume of China's imports.

Outlook: The Indore (Plant Delivery) prices are expected to trade in the range of 4200 to 4250 in coming day. Mustard (42%) spot prices are likely to trade in the range of 4500 and 4580 per quintal ahead of a day.



Soybean Futures Contract: NCDEX Price								Date:17.01.2020 at 5:00 PM	
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Jan-20	-0.57	4250	4250	4178	4212	1740	-790	7950	-890
Feb-20	-0.38	4204	4226	4142	4196	50930	-11,135	187545	-5315
Mar-20	-0.47	4224	4238	4154	4204	17005	1,680	108900	2015
Mustard Seed Futures Contract: NCDEX Price									
Jan-20	-0.18	4350	4350	4300	4330	90	-310	1840	-1060
Feb-20	+0.02	4296	4328	4268	4308	12880	-4,060	12530	-500
Apr-20	-0.25	4309	4330	4265	4309	7370	-5,310	11090	760
Soybean Basis – (88)					Mustard Basis-(200)				
Spread					Spread				
	Jan-19	Feb-20	Mar-20			Jan-20	Feb-20	Apr-20	
Jan-20	88				Jan-20	200			
Feb-20		104			Feb-20		222		
Mar-20			96		Apr-20			221	

Soybean Stock Position & Fed:				
Stocks	Demat	In-Process	Total	FED
	16-Jan-20	16-Jan-20	16-Jan-20	16-Jan-20
Akola	25893	501	26394	25758
Indore	298	0	298	298
Kota	3826	0	3826	3906
Sagar	3870	0	3870	3865
Nagpur	-	-	-	-

Rapeseed Stock Position & Fed:				
Stocks	Demat	In-Process	Total	FED
	16-Jan-20	16-Jan-20	16-Jan-20	16-Jan-20
Sri Ganganagar	-	-	-	-
Bharatpur	-	-	-	-
Bikaner	-	-	-	-
Kota	1145	0	1145	1769
Jaipur	2331	99	2430	2231
Alwar	2403	320	2723	2402
Hapur	-	-	-	-

Oilseed Prices at Key Spot Markets:

Commodity / Centre	Prices (Rs/Qtl)				Change
Soybean	17-Jan-20		16-Jan-20		
	Low	High	Low	High	
Indore –Plant	4250	4300	4250	4300	Unch
Indore–Mandi	4000	4250	4000	4250	Unch
Nagpur-Plant	4350	4380	4350	4380	Unch
Nagpur – Mandi	3700	4200	3700	4220	-20
Latur – Mandi	NA	NA	3850	4280	-
Akola – Mandi	3400	3975	3500	4100	-125
Kota-Plant	4100	4150	4175	4225	-75
Kota – Mandi	3900	4000	4000	4100	-100
Bundi-Plant	4150	4200	4200	4250	-50
Bundi-Mandi	4000	4100	4040	4190	-90
Baran-Plant	4080	4200	4150	4270	-70
Baran-Mandi	4100	4170	4150	4250	-80
Bhawani Mandi Jhalawar–Plant	4160	4250	4250	4350	-100
Jhalwar-Mandi	4100	4220	4200	4300	-80
Rapeseed/Mustard					
Jaipur-(Condition)	4525	4530	4500	4505	25
Alwar-(Condition)	4250	4300	4150	4200	100
Sri Ganganagar-(Non-Condition)	4000	4100	4000	4100	Unch
New Delhi–(Condition)	4225	4325	4250	4350	-25
Kota-(Condition)	4080	4140	4150	4200	-60
Agra-(Condition)	4143	4238	4286	4381	-143
Neewai-(Condition)	3900	4000	3900	4000	Unch
Hapur (UP)-(Condition)	4250	4300	4250	4300	Unch
Groundnut Seed					
Rajkot	840	840	800	800	40
Sunflower Seed					
Gulbarga	NA	NA	NA	NA	-
Latur	NA	NA	NA	NA	-
Sholapur	NA	NA	NA	NA	-
Soybean Prices are in INR/ctl. (1 bag=90 kg). Mandi prices – Loose, Mustard Seed Prices are in INR/ql (1 bag=85 kg) C – Condition (42%), *Groundnut seed in Rs/20 kg, Sunflower Seed in Rs/ctl.					

Oilseed Arrivals in Key Centers:

Commodity / Centre	Arrivals in Bags/Qtl		Change
Soybean	17-Jan-20	16-Jan-20	
Madhya Pradesh	80000	90000	-10000
Maharashtra	75000	80000	-5000
Rajasthan	25000	20000	5000
Bundi (Raj)	10	55	-45
Baran (Raj)	700	900	-200
Jhalawar (Raj)	1700	1400	300
Rapeseed/Mustard			
Rajasthan	55000	55000	Unch
Alwar	1000	1000	Unch
Sri Ganganagar	300	300	Unch
Kota	600	400	200
Groundnut Seed			
Rajkot (Gujarat)	4200	4000	200
Sunflower Seed			
Sholapur (Maharashtra)	NA	NA	-

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

Oilseeds	17-Jan-20	16-Jan-20	Change
Groundnut Kernel	5700	5750	-50
Gr. Bolds 60/70	6450	6450	Unch
Gr. Javas 60/70	8000	8000	Unch
Gr Javas 70/80	7650	7650	Unch
Gr.Javas 80/90	7400	7400	Unch
KardiSeed 2% Exp Qly	5400	5400	Unch
Sesame White 98/2/1 FM	10700	10700	Unch
Whitish 95/5/FFA/1FM	10500	10500	Unch
Brown 48/2 FFA/4 FM	10400	10400	Unch
Brown 48/3 FFA/4 FM	10000	10000	Unch
Brown 48/4 FM/* No FFA Guarantee	9500	9500	Unch
Sunflower Seed	4500	4500	Unch
Niger Seed (4% FM)	5500	5500	Unch

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