
Oilseeds Domestic Fundamental

Mostly weak tone are seen Oilseeds complex amid weak demand of millers and crushers today. Arrivals were also lower as farmers expect further price hike mainly for soybean in coming days. Farmers and traders hold total 25 to 35 lakh tonnes of soybean seed's stocks and likely to release in March end or April 2020. New mustard crop will commence to arrive in physical market in mid of Feb month which will weigh on mustard seed prices. Traders expect 20% higher mustard crop of this season in Rajasthan belt. Standing mustard crops in the fields are in good condition so far. NCDEX Soybean and Mustard Feb contract closed lower side on selling pressures.

As per recent released data of Ministry, the total area under Oilseeds is reported lower by 0.07 lakh hectares to 80.29 lakh hectares as on 31st Jan 2020 against 80.36 lakh hectares in the previous year in the corresponding period of time. There is a drop-in sowing of Mustard seed to 69.51 lakh hectares lower by 0.24 lakh hac. against 69.76 lakh hectares in last year. Sunflower has been planted on 1.04 lakh hectares lower against 1.13 lakh hectares in last year. Sesame has been planted on 0.56 lakh hectares lower from last year i.e. 0.71 lakh hac. However, total covering area of groundnut stood at 4.76 lakh hectares higher against 4.59 lakh hectares in last year. Safflower has been planted on 0.63 lakh hectares higher from last year record i.e. 0.43 lakh hectares. Linseed has been planted on 3.46 lakh hectares higher against 3.44 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 are closed higher side supported by higher exports sales data of U.S. and China's announcement to reduce tariff on U.S. soybean from 30% to 27.5%. However, higher crop expectation in South America will curb any major gain.

During the week (Jan.24 to 30 Jan, 2020) US sold higher soybean by 76% to 703,800 MT for 2019/2020 from the previous week and 29% higher from prior 4-week average. Increases primarily for Egypt (264,400 MT), the Netherlands (205,600 MT, including 194,000 MT switched from unknown destinations and decreases of 800 MT), Taiwan (116,900 MT, including 117,000 MT switched from unknown destinations and decreases of 6,800 MT), Germany (69,100 MT), and Spain (63,500 MT, including 63,000 MT switched from unknown destinations and decreases of 3,300 MT), were offset by reductions primarily for unknown destinations (238,800 MT). For 2020/2021, total net sales of 4,000 MT were for Japan. Exports of 1,448,300 MT were up 25 percent from the previous week and 28 percent from the prior 4-week average. The destinations were primarily to China (552,500 MT), the Netherlands (205,600 MT), Taiwan (163,900 MT), Spain (118,500 MT), and Mexico (72,700 MT).

Outlook: The Indore (Plant Delivery) prices are expected to trade in the range of 4050 to 4100 in coming day. Mustard (42%) spot prices are likely to trade in the range of 4250 and 4280 per quintal ahead of a day.



Soybean Futures Contract: NCDEX Price								Date:07.02.2020 at 5:00 PM	
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Feb-20	-1.21	4112	4144	4024	4070	16855	-14,865	52025	-6325
Mar-20	-1.31	4110	4136	4022	4072	46415	-2,655	146315	3610
Apr-20	-1.41	4120	4136	4032	4070	14750	2,780	88695	6070
Mustard Seed Futures Contract: NCDEX Price									
Feb-20	-0.37	4005	4038	3981	4012	8530	-2,370	7800	-760
Mar-20	-0.32	4060	4085	4041	4057	15520	820	16970	950
Apr-20	-0.37	4074	4105	4069	4090	740	-300	3890	250
Soybean Basis – (30)					Mustard Basis-(283)				
Spread					Spread				
	Feb-20	Mar-20	Apr-20			Feb-20	Mar-20	Apr-20	
Feb-20	30				Feb-20	283			
Mar-20		28			Mar-20		238		
Apr-20			30		Apr-20			205	

Soybean Stock Position & Fed:				
Stocks	Demat	In-Process	Total	FED
	6-Feb-20	6-Feb-20	6-Feb-20	6-Feb-20
Akola	22313	470	22783	23678
Indore	298	0	298	298
Kota	2605	0	2605	2605
Sagar	3197	0	3197	3197
Nagpur	-	-	-	-

Rapeseed Stock Position & Fed:				
Stocks	Demat	In-Process	Total	FED
	6-Feb-20	6-Feb-20	6-Feb-20	6-Feb-20
Sri Ganganagar	-	-	-	-
Bharatpur	-	-	-	-
Bikaner	-	-	-	-
Kota	892	0	892	892
Jaipur	1293	0	1293	1293
Alwar	2334	30	2364	1693
Hapur	-	-	-	-

Oilseed Prices at Key Spot Markets:

Commodity / Centre	Prices (Rs/Qtl)				Change
Soybean	7-Feb-20		6-Feb-20		
	Low	High	Low	High	
Indore –Plant	4080	4100	4150	4240	-140
Indore–Mandi	3800	3950	3900	4050	-100
Nagpur-Plant	4200	4250	4200	4250	Unch
Nagpur – Mandi	3610	4100	3610	4070	30
Latur – Mandi	NA	NA	3800	4280	-
Akola – Mandi	3100	3975	2900	3925	50
Kota-Plant	4000	4120	4100	4200	-80
Kota – Mandi	3800	4000	3900	4100	-100
Bundi-Plant	4050	4100	4150	4200	-100
Bundi-Mandi	3900	4000	4000	4100	-100
Baran-Plant	4000	4200	4100	4300	-100
Baran-Mandi	3850	4140	3900	4200	-60
Bhawani Mandi Jhalawar–Plant	4150	4200	4250	4300	-100
Jhalwar-Mandi	Closed	Closed	4150	4200	-
Rapeseed/Mustard					
Jaipur-(Condition)	4290	4295	4325	4330	-35
Alwar-(Condition)	4000	4050	4150	4200	-150
Sri Ganganagar-(Non-Condition)	3750	3800	3800	3850	-50
New Delhi–(Condition)	4250	4300	4250	4300	Unch
Kota-(Condition)	3800	3900	3860	3950	-50
Agra-(Condition)	4119	4190	4286	4357	-167
Neewai-(Condition)	3930	3980	4050	4100	-120
Hapur (UP)-(Condition)	4250	4300	4200	4250	50
Groundnut Seed					
Rajkot	870	870	860	860	10
Sunflower Seed					
Gulbarga	NA	NA	NA	NA	-
Latur	NA	NA	NA	NA	-
Sholapur	NA	NA	NA	NA	-
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	7-Feb-20	6-Feb-20	
Madhya Pradesh	60000	60000	Unch
Maharashtra	50000	55000	-5000
Rajasthan	17000	17000	Unch
Bundi (Raj)	135	135	Unch
Baran (Raj)	1800	700	1100
Jhalawar (Raj)	Closed	1000	-
Rapeseed/Mustard			
Rajasthan	45000	45000	Unch
Alwar	400	1000	-600
Sri Ganganagar	125	200	-75
Kota	1300	1500	-200
Groundnut Seed			
Rajkot (Gujarat)	3430	5635	-2205
Sunflower Seed			
Sholapur (Maharashtra)	NA	NA	-

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

Oilseeds	7-Feb-20	6-Feb-20	Change
Groundnut Kernel	5700	5700	Unch
Gr. Bolds 60/70	7150	6750	400
Gr. Javas 60/70	8700	8300	400
Gr Javas 70/80	8350	7950	400
Gr.Javas 80/90	8100	7700	400
KardiSeed 2% Exp Qly	5400	5400	Unch
Sesame White 98/2/1 FM	10900	10900	Unch
Whitish 95/5/FFA/1FM	10700	10700	Unch
Brown 48/2 FFA/4 FM	10500	10500	Unch
Brown 48/3 FFA/4 FM	10000	10000	Unch
Brown 48/4 FM/* No FFA Guarantee	9700	9700	Unch
Sunflower Seed	4500	4500	Unch
Niger Seed (4% FM)	5500	5500	Unch

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